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TITLE 3—THE PRESIDENT

EXECUTIVE ORDER 10794

ESTABLISHING THE CANAL ZONE MERIT SYSTEM AND PRESCRIBING REGULATIONS RELATING TO CONDITIONS OF EMPLOYMENT IN THE CANAL ZONE

By virtue of the authority vested in me by the act of July 25, 1958, Public Law 85-550 (72 Stat. 405), and as President of the United States, it is hereby ordered as follows:

SECTION 1. As used in this order:

(a) The term "the act" shall mean the act of July 25, 1958 (72 Stat. 405).

(b) The terms "department," "position," "employee," and "continental United States" shall have the meanings ascribed to them in section 2 of the act.

(c) The term "competitive civil service" shall have the same meaning as the words "competitive service," "classified service," "classified (competitive) service," or "classified civil service" as defined in existing statutes and Executive orders.

SEC. 2. (a) Subject to the further provisions of this order, there is hereby delegated to the Secretary of the Army the authority vested in the President by sections 3 and 15 of the act:

(1) To exclude any employee or position from the act or from any provision of the act.

(2) To extend to any employee, whether or not such employee is a citizen of the United States, the same rights and privileges as are provided by applicable laws and regulations for citizens of the United States employed in the competitive civil service of the Government of the United States.

(3) To coordinate the policies and activities of the respective departments under the act.

(4) To promulgate such regulations as may be necessary and appropriate to carry out the provisions and accomplish the purposes of the act.

(b) The Secretary of the Army may redelegate any of the authority delegated to him by subsection (a) of this section.

(c) In promulgating regulations pursuant to the authority delegated by this section (including regulations with respect to the matters covered by sections 3 and 4 of this order), the Secretary of the Army shall give effect to the following-described policies:

(1) Employment standards, rates of basic compensation, availability of training facilities and programs shall be applied uniformly among all departments in the Canal Zone to all employees irrespective of whether they are citizens of the United States or of the Republic of Panama.

(2) Positions which shall be designated by the heads of agencies, under section 8 of the act, as those which for security reasons shall be filled by a citizen of the United States shall include, but not be limited to, (i) those involving security of property, (ii) those involving access to defense information classified pursuant to Executive Order No. 10501 of November 5, 1953, (iii) those which require the use of United States citizens to insure continuity and capability of operation and administration of activities in the Canal Zone by the United States Government: *Provided*, that nothing in this order shall be deemed to modify or supersede any provision of either Executive Order No. 10501 of November 5, 1953, or Executive Order No. 10450 of April 27, 1953.

(3) Exclusions of employees or positions from the provisions of the act or any provision of the act and the extension of rights and privileges to employees, as provided in section 3 (b) of the act, shall be made only in accordance with regulations issued under this order. Such regulations shall provide for excluding employees or positions from the Canal Zone Merit System only for reasons for which exclusions or exceptions are made from the competitive civil service.

(d) Prior to the promulgation of regulations under this order, the Secretary of the Army shall consult with the Department of the Navy, the Department of the Air Force, other components of the Department of Defense having employees in the Canal Zone, the Panama Canal Company, the Canal Zone Government, the Civil Service Commission, and such other agencies having employees in the Canal Zone as he may determine.

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FEDERAL REGISTER

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SEC. 3. (a) There is hereby established, as provided for in section 10 of the act, a Canal Zone Merit System of selection for appointment, reappointment, reinstatement, re-employment, and retention with respect to positions, employees, and individuals under consideration for appointment to positions. In accordance with the provisions of that section, the Canal Zone Merit System shall—

(1) be based solely on the merit of the employee or individual and upon his qualifications and fitness to hold the position concerned;

(2) apply uniformly within and among all departments, positions, employees, and individuals concerned;

(3) conform generally to policies, principles, and standards established by or in accordance with the Civil Service Act of January 16, 1883, as amended and supplemented; and

(4) include provision for appropriate interchange of citizens of the United States employed by the Government of the United States between such merit system and the competitive civil service of the Government of the United States. Provisions for interchange which involve movement from the Canal Zone Merit System to the competitive civil service of the Government of the United States shall be subject to the concurrence of the Civil Service Commission.

(b) Regulations promulgated under this order with respect to the Canal Zone Merit System shall be issued only after advice has been received from the Civil Service Commission that such regulations conform generally to policies, principles, and standards established by or in accordance with the Civil Service Act of January 16, 1883, as amended and supplemented.

(c) The Civil Service Commission is directed to make periodic review of the operations of the Canal Zone Merit System for conformity with the requirements of the act, this order, and regulations promulgated under section 2 thereof, and shall report its findings to the Secretary of the Army and to the Special Assistant to the President for Personnel Management.

SEC. 4. (a) There is hereby established, as provided for in section 12 of the act, a Canal Zone Board of Appeals to review and determine the appeals of employees. The Board shall consist of five members, all of whom shall be civilians appointed by the Secretary of the Army (and one of whom shall be designated by him as chairman), as follows:

(1) One member shall be nominated by the Civil Service Commission.

(2) Two members shall be selected from among employees of the United States Government agencies in the Canal Zone and shall be appointed only after consultation with and advice from organizations representing such employees.

(3) Two members shall be selected by the Secretary of the Army.

(b) For each member of the Board, the Secretary of the Army shall appoint an alternate member, who shall be a civilian nominated or selected in the same manner as the Board member for whom he is an alternate. An alternate member shall serve on the Board whenever, for any reason, the member for whom he is an alternate is unable to serve.

(c) Decisions of the Board shall be made by majority vote of the members.

SEC. 5. (a) Except as provided in subsection (b) of this section, the provisions of this order, including the regulations prescribed thereby, shall be effective immediately.

(b) The Canal Zone Merit System shall be placed in effect on such date as may be specified by the regulations issued under section 2 of this order, but in no event later than January 19, 1959.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,
December 10, 1958.

[F. R. Doc. 58-10311; Filed, Dec. 10, 1958; 1:32 p. m.]

RULES AND REGULATIONS

TITLE 6—AGRICULTURAL CREDIT

Chapter I—Farm Credit Administration

Subchapter E—Production Credit System

PART 50—PRODUCTION CREDIT ASSOCIATIONS

PAYMENT OF DIVIDENDS

Pursuant to the authority vested in the Governor of the Farm Credit Administration by section 20 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1131d), and, as prescribed by the farm credit board of each district with the approval of the Farm Credit Administration pursuant to section 23 of said act, as amended (12 U. S. C. 1131g), §§ 50.211 and 50.212 of Title 6 of the Code of Federal Regulations (21 F. R. 10327, 10329-30; 23 F. R. 6195, 6196-7) are hereby amended to read as follows:

§ 50.211 *Class A and class B stock.* Upon approval by the Bank, an association may pay dividends on its outstanding class A and class B stock, without preference, or on class A stock alone, at a rate not to exceed 7 percent per annum, when it has met all dividend requirements prescribed by the board of directors of the Bank, has retired all of its class A stock owned by the Governor, and its surplus account (after payment of dividends) is in an amount at least equal to the minimum amount prescribed by the Bank: *Provided*, That, except with the approval of the Farm Credit Administration, no dividend may be paid on class B stock if the association's surplus account (after payment of dividends) is in an amount less than 10 percent of the maximum amount of its outstanding loans during the most recent 3-year period.

§ 50.212 *Class C stock.* An association may pay dividends on its outstanding class C stock in accordance with the terms and conditions of each issue of such stock.

(Secs. 20, 23, 48 Stat. 259, 261, as amended; 12 U. S. C. 1131d, 1131g)

[SEAL] HAROLD T. MASON,
Acting Governor,
Farm Credit Administration.

[F. R. Doc. 58-10268; Filed, Dec. 11, 1958; 8:45 a. m.]

TITLE 7—AGRICULTURE

Chapter III — Agricultural Research Service, Department of Agriculture

[P. P. C. 612, 17th Rev.]

PART 301—DOMESTIC QUARANTINE NOTICES

SUBPART—KHAPRA BEETLE

REVISED ADMINISTRATIVE INSTRUCTIONS DESIGNATING PREMISES AS REGULATED AREAS

Pursuant to § 301.76-2 of the regulations supplemental to the Khapra Beetle Quarantine (7 CFR and 1957 Supp., 301.76-2) under sections 8 and 9 of the Plant Quarantine Act of 1912, as amended (7 U. S. C. 161, 162), revised administrative instructions are hereby issued as follows, listing premises in which infestations of the khapra beetle have been determined to exist and designating such premises as regulated areas within the meaning of said quarantine and regulations.

§ 301.76-2a *Administrative instructions designating certain premises as regulated areas under the khapra beetle quarantine and regulations.* Infestations of the khapra beetle have been determined to exist in the premises listed in paragraphs (a) and (b) of this section. Accordingly, such premises are hereby designated as regulated areas within the meaning of the provisions in this subpart:

(a)

ARIZONA

Tom Drennen Farm, c/o Colorado River Trading Co., Parker.

A. G. Franco Chicken Yard, 535 Magnolia Avenue, Yuma.

R. W. Green Ranch, Box 1307, Kingman.

Phoenix Tallow Co., 1688 East Anderson Road, Phoenix.

CALIFORNIA

Fred Smith Turkey Ranch, 4638 South Temperance, Fresno.

(b) The portion of each of the following premises in which live khapra beetles were found has received the approved fumigation treatment, but these premises must continue under frequent observation and inspection for a period of one year following fumigation before a determination can be made as to the adequacy of such treatment to eradicate the khapra beetle in and upon such premises.

During this period regulated articles may be moved from the premises only in accordance with the regulations in this subpart.

CALIFORNIA

P. Callo property, located 2 miles west of the intersection of Roads 90 and West C on the south side of Road 90, P. O. Box 44, Niland.

Floyd B. Carrion property, located on the south side of Avenue 70, 0.8 mile west of Lincoln Street, P. O. Box 564, Mecca.

Tom Mejia property, located at the southwest corner of the intersection of Roads 90 and West C, P. O. Box 662, Niland.

Martin Valdez property, located at the intersection of Roads 90 and West E, P. O. Box 403, Niland.

This revision adds certain premises in Arizona to the list of premises in which khapra beetle infestations have been determined to exist, and designates such premises as regulated areas under the khapra beetle quarantine and regulations.

As an informative item, the revision segregates certain regulated premises in California where the approved fumigation treatment has been applied to the portion of the premises in which live khapra beetles were found and which are consequently in a somewhat different category than untreated premises.

These administrative instructions shall become effective December 12, 1958, when they shall supersede P. P. C. 612, Sixteenth Revision, effective November 8, 1958 (23 F. R. 8722).

These instructions impose restrictions supplementing khapra beetle quarantine regulations already effective. They must be made effective promptly in order to carry out the purposes of the regulations. Accordingly, under section 4 of the Administrative Procedure Act (5 U. S. C. 1003), it is found upon good cause that notice and other public procedure with respect to the foregoing administrative instructions are impracticable and contrary to the public interest, and good cause is found for making the effective date thereof less than 30 days after publication in the FEDERAL REGISTER.

(Sec. 9, 37 Stat. 318; 7 U. S. C. 162. Interprets or applies sec. 8, 37 Stat. 318, as amended; 7 U. S. C. 161)

Done at Washington, D. C. this 8th day of December 1958.

[SEAL] E. D. BURGESS,
Director,
Plant Pest Control Division.

[F. R. Doc. 58-10279; Filed, Dec. 11, 1958; 8:48 a. m.]

Chapter VII—Commodity Stabilization Service (Farm Marketing Quotas and Acreage Allotments), Department of Agriculture

[Amdt. 3]

PART 722—COTTON

SUBPART—REGULATIONS PERTAINING TO MARKETING QUOTAS FOR UPLAND COTTON OF THE 1958 AND SUCCEEDING CROPS

MISCELLANEOUS AMENDMENTS

Basis and purpose. The purpose of this amendment is to make various minor language changes and also to implement section 378 of the Agricultural Adjustment Act of 1938, as amended (Pub. Law 85-835; 72 Stat. 988; 7 U. S. C. 1378) which provides for pooling and transfer of farm allotments under certain conditions where the farm is acquired by an agency having the right of eminent domain. The amendment contained herein is issued pursuant to the Agricultural Adjustment Act of 1938, as amended (52 Stat. 31, as amended; 7 U. S. C. 1281 et seq.). Since this amendment involves only minor language changes, and other changes to implement transfer of allotments under the Agricultural Act of 1958, it is hereby determined and found that compliance with the notice and public procedure requirements and the 30-day effective date requirements of section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) is impracticable and contrary to the public interest and this amendment shall be effective upon filing of this document with the Director, Division of the Federal Register.

The regulations pertaining to marketing quotas for upland cotton of the 1958 and succeeding crops (23 F. R. 3231, 5533, 6588) are amended as follows:

1. Subparagraphs (1), (4), (5), (7), (8), and (9) of § 722.2 (a) are amended to read as follows:

(1) "Secretary" means the Secretary of Agriculture of the United States, or any officer or employee of the Department to whom authority has been delegated, or to whom authority may hereafter be delegated, to act in his stead.

* * * * *

(4) "State committee" means the persons in a State designated by the Secretary as the Agricultural Stabilization and Conservation State committee under section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended.

(5) "State administrative officer" means the person employed by the State committee to execute the policies of the State committee and to be responsible for the day-to-day operations of the Agricultural Stabilization and Conservation State office, or the person acting in such capacity.

* * * * *

(7) "County committee" means the persons elected within a county as the county committee, pursuant to regulations governing the selection and functions of Agricultural Stabilization and Conservation county and community committees under section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended.

(8) "Community committee" means the persons elected within a community as the community committee, pursuant to regulations governing the selection and functions of Agricultural Stabilization and Conservation county and community committees under section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended.

(9) "County office manager" means the person employed by the county committee to execute the policies of the county committee and be responsible for the day-to-day operations of the Agricultural Stabilization and Conservation county office, or the person acting in such capacity.

2. Subparagraphs (1) and (3) of § 722.2 (b) are amended to read as follows:

(1) The term "farm" as defined in Part 719 of this chapter (23 F. R. 6731), as amended, shall apply to the regulations in §§ 722.1 to 722.51.

* * * * *

(3) "Acreage planted to cotton on the farm" for a crop year, for purposes of §§ 722.1 to 722.51 shall be the acreage seeded to cotton on the farm in such year and the acreage devoted to the production of cotton on the farm in such year but seeded prior to such year, excluding any acreage in excess of the farm allotment which (i) is destroyed by causes beyond the producer's control prior to expiration of the period established under applicable acreage allotment regulations for disposing of excess cotton acreage or (ii) is disposed of in accordance with applicable acreage allotment regulations.

3. Section 722.4 is amended to read as follows:

§ 722.4 *Extent of calculations and rule of fractions.* In making any computation in connection with §§ 722.1 to 722.51, the amount of lint cotton shall be rounded to the nearest whole pound and the amount of penalties or refunds shall be rounded to the nearest whole cent. Fractions of exactly five-tenths of a pound or cent shall be dropped.

4. Section 722.14 is amended to read as follows:

§ 722.14 *Marketing quotas not transferable.* A farm marketing quota established for a farm may not be assigned or otherwise transferred in whole or in part to any other farm except as specifically provided in the applicable acreage allotment regulations for release and reapportionment pursuant to section 344 of the act and transfer of allotments pursuant to section 378 of the act. Under sections 345 and 347 of the act, farm marketing quotas are established for each crop year for both upland and extra long staple cotton. The farm marketing quota established under the provisions of §§ 722.8 to 722.16 for a crop of upland cotton may not be used in whole or in part in connection with the marketing of extra long staple cotton.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interpret or apply sec. 101, Pub. Law 85-835, 72 Stat. 988; sec. 378, 72 Stat. 995; 7 U. S. C. 1378)

Done at Washington, D. C., this 8th day of December 1958. Witness my hand and the seal of the Department of Agriculture.

[SEAL] WALTER C. BERGER,
Administrator, Commodity Stabilization Service.

[F. R. Doc. 58-10293; Filed, Dec. 11, 1958; 8:51 a. m.]

[Amdt. 3]

PART 722—COTTON

SUBPART—REGULATIONS PERTAINING TO MARKETING QUOTAS FOR EXTRA LONG STAPLE COTTON OF THE 1958 AND SUCCEEDING CROPS

MISCELLANEOUS AMENDMENTS

Basis and purpose. The purpose of this amendment is to make various minor language changes and also to implement section 378 of the Agricultural Adjustment Act of 1938, as amended (Pub. Law 85–835; 72 Stat. 995; 7 U. S. C. 1378) which provides for pooling and transfer of farm allotments under certain conditions where the farm is acquired by an agency having the right of eminent domain. The amendment contained herein is issued pursuant to the Agricultural Adjustment Act of 1938, as amended (52 Stat. 31, as amended; 7 U. S. C. 1281 et seq.). Since this amendment involves only minor language changes, and other changes to implement transfer of allotments under the Agricultural Act of 1958, it is hereby determined and found that compliance with the notice and public procedure requirements and the 30-day effective date requirements of section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U. S. C. 1003) is impracticable and contrary to the public interest and this amendment shall be effective upon filing of this document with the Director, Division of the Federal Register.

The regulations pertaining to marketing quotas for extra long staple cotton of the 1958 and succeeding crops (23 F. R. 3241, 5533, 6590) are amended as follows:

1. Subparagraphs (1), (4), (5), (7), (8), and (9) of § 722.102 (a) are amended to read as follows:

(1) "Secretary" means the Secretary of Agriculture of the United States, or any officer or employee of the Department to whom authority has been delegated, or to whom authority may hereafter be delegated, to act in his stead.

* * * * *

(4) "State committee" means the persons in a State designated by the Secretary as the Agricultural Stabilization and Conservation State committee under section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended. In Puerto Rico the Caribbean ASC Area Committee shall, insofar as applicable, perform the functions of the State committee.

(5) "State administrative officer" means the person employed by the State committee to execute the policies of the State committee and to be responsible for the day-to-day operations of the Agricultural Stabilization and Conservation State office, or the person acting in such capacity. In Puerto Rico the Director, Caribbean ASC Area Office shall, insofar as applicable perform the functions of the State administrative officer.

* * * * *

(7) "County committee" means the persons elected within a county as the county committee, pursuant to regulations governing the selection and functions of Agricultural Stabilization and Conservation county and community committees under section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended. In Puerto Rico, the Caribbean ASC Area Committee shall, insofar as applicable, perform the functions of the county committee.

(8) "Community committee" means the persons elected within a community as the community committee, pursuant to regulations governing the selection and functions of Agricultural Stabilization and Conservation county and community committees under section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended.

(9) "County office manager" means the person employed by the county committee to execute the policies of the county committee and be responsible for the day-to-day operations of the Agricultural Stabilization and Conservation county office, or the person acting in such capacity.

2. Subparagraphs (1) and (3) of § 722.102 (b) are amended to read as follows:

(1) The term "farm" as defined in Part 719 of this chapter (23 F. R. 6731), as amended, shall apply to the regulations in §§ 722.101 to 722.152.

* * * * *

(3) "Acreage planted to ELS cotton on the farm" for a crop year, for purposes of §§ 722.101 to 722.152 shall be the acreage seeded to ELS cotton on the farm in such year and the acreage devoted to the production of ELS cotton on the farm in such year but seeded prior to such year, excluding any acreage in excess of the farm allotment which (i) is destroyed by causes beyond the producer's control prior to expiration of the period established under applicable acreage allotment regulations for disposing of excess ELS cotton acreage or (ii) is disposed of in accordance with applicable acreage allotment regulations.

3. Section 722.104 is amended to read as follows:

§ 722.104 *Extent of calculations and rule of fractions.* In making any computation in connection with §§ 722.101 to 722.152, the amount of ELS lint cotton shall be rounded to the nearest whole pound and the amount of penalties or refunds shall be rounded to the nearest whole cent. Fractions of exactly five-tenths of a pound or cent shall be dropped.

4. Section 722.114 is amended to read as follows:

§ 722.114 *Marketing quotas not transferable.* A farm marketing quota established for a farm may not be assigned or otherwise transferred in whole or in part to any other farm except as specifically provided in the applicable acreage allotment regulations for release and reapportionment pursuant to section 344 of the act and transfer of allotments pursuant to section 378 of the act. Under sections 345 and 347 of the act, farm marketing quotas are established for each crop year for both upland and extra long staple cotton. The farm marketing quota established under the provisions of §§ 722.108 to 722.116 for a crop of ELS cotton may not be used in whole or in part in connection with the marketing of upland cotton.

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interpret or apply sec. 101, Pub. Law 85–835, 72 Stat. 988; sec. 378, 72 Stat. 995; 7 U. S. C. 1378)

Done at Washington, D. C., this 8th day of December 1958. Witness my hand and the seal of the Department of Agriculture.

[SEAL] WALTER C. BERGER,
Administrator,
Commodity Stabilization Service.

[F. R. Doc. 58–10292; Filed, Dec. 11, 1958; 8:50 a. m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

PART 945—TOMATOES GROWN IN FLORIDA

APPROVAL OF EXPENSES AND RATE OF ASSESSMENT

Notice of rule making regarding proposed expenses and rate of assessment, to be made effective under Marketing Agreement No. 125 and Order No. 45 (7 CFR Part 945), regulating the handling of tomatoes grown in Florida, was published in the FEDERAL REGISTER of October 9, 1958 (23 F. R. 7823). This regulatory program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.). After consideration of all relevant matters presented, including the proposals set forth in the aforesaid notice, which proposals were adopted and submitted for approval by the Florida Tomato Committee, established pursuant to said marketing agreement and order, it is hereby found and determined that:

§ 945.204 *Expenses and rate of assessment.* (a) The reasonable expenses that are likely to be incurred by the Florida Tomato Committee, established pursuant to Marketing Agreement No. 125 and this part, to enable such committee to perform its functions pursuant to the provisions of the aforesaid marketing agreement and order, during the fiscal period beginning August 1, 1958, will amount to $126,000.00.

(b) The rate of assessment to be paid by each handler, pursuant to Marketing Agreement No. 125 and this part, shall be one and one-half cents ($0.015) per 60-pound crate of tomatoes, or respective equivalent quantities thereof, handled by him as the first handler thereof during said fiscal period.

(c) The terms used in this section shall have the same meaning as when used in Marketing Agreement No. 125 and this part.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: December 9, 1958, to become effective 30 days after publication in the FEDERAL REGISTER.

[SEAL] S. R. SMITH,
Director,
Fruit and Vegetable Division.

[F. R. Doc. 58-10291; Filed, Dec. 11, 1958; 8:50 a. m.]

TITLE 14—CIVIL AVIATION

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amdt. 13]

PART 507—AIRWORTHINESS DIRECTIVES

MISCELLANEOUS AMENDMENTS

This amendment to Part 507 contains the Airworthiness Directives amended or issued during October 1958. Individual notice of the Airworthiness Directives contained herein has been given to operators and other interested persons who are subscribers to a Civil Aeronautics Administration mailing service.

In the interest of safety, compliance with the notice, procedures and effective date provisions of section 4 of the Administrative Procedure Act is impracticable and contrary to the public interest, and therefore, is not required.

Section 507.10 (a) is amended as follows:

1. 58-10-5 Vickers Viscount as it appeared in 23 F. R. 4725 is revised to read: "Applies to All Viscount 700 Series Aircraft Fitted With D.1521 (Structural Provision for All Weather Radar) And Model 810 Serial Numbers 353 (N240V), 355 (N241V) and 356 (N242V)." The final statement is also changed to read: "(Vickers-Armstrongs PTL 185 and Modification Bulletin No. 2558—700 Series; PTL 45 and Modification Bulletin No. FG 954—800 Series cover the same subject)."

2. The following new airworthiness directives are added:

58-20-1 CURTISS-WRIGHT. Applies to All C-46 Series Aircraft P/N. 20-360-1058-2 (Tail Wheel Retract Yoke).

Compliance required at next regular inspection, but not later than December 1, 1958.

Several P/N 20-360-1058-2 tail wheel retract yokes have been found cracked or broken. Many of these parts have had a radius at the base of the yoke of less than the required 0.120 inch.

As a result of these failures, the subject parts must be inspected for the proper radius and magnetic particle, or equivalent inspection for cracks at the base of the yoke.

Parts which have a radius at the base of the yoke of less than 0.120 inch or in which cracks are found, are considered unairworthy and must be replaced.

58-20-2 DE HAVILLAND. Applies to All De Havilland Dove Model 104 Aircraft.

Compliance required by January 1, 1959.

In an emergency such as a wheels up landing, the placing of the ground/flight switch in the "Ground" position to minimize fire risk would isolate the fire extinguisher system.

Dove Modification 655 has therefore been introduced which provides an electrical supply to the fire extinguisher circuit from the battery side of the ground/flight switch, even when the switch is in the "Ground" position, thus ensuring that the fire extinguisher system is operative at all times.

The British Air Registration Board considers this mandatory. The CAA concurs with this action and considers compliance therewith mandatory.

(De Havilland T. N. S. C. T. (104) No. 153 covers the same subject.)

58-20-3 LOCKHEED. Applies to Model 049, 149, 649, 649A, 749, and 749A Aircraft, Serial Numbers 1963 Through 1980, 2021 Through 2088, 2501 Through 2631, 2633 Through 2638 and 2640.

Compliance required as indicated.

A recent in-flight failure of an aft pressure bulkhead has been determined to have resulted from severe corrosion in the area of the lavatories.

The following must be accomplished on all aircraft which have accumulated 6,000 or more flight hours. Items (1) and (2) are not applicable to any of the aircraft which have been inspected in accordance with (2) and repaired as necessary per (3), below, within the past 4,000 hours. All affected aircraft will be limited to 2 psi cabin pressure differential until (1) and (2) have been accomplished.

(1) Unless already accomplished per Lockheed wire FS/228233W or FS/228562W, within next 50 flight hours thoroughly examine the aft side of the pressure bulkhead (Station 1037) and adjacent shell structure between stringers 24 and 48. Clean and apply concentrated pressure with a device, which will not scratch good metal, to detect any indication of corrosion which may have developed on the forward side. If even slight indication of corrosion is found, conduct inspection (2) immediately.

(2) Unless already accomplished per Lockheed wire FS/228233W or FS/228562W, within next 200 flight hours remove toilets, trim, plywood, insulation, paint, sealant, etc., to expose all bulkhead, bulkhead ring and shell structure, both forward and aft side of Station 1037, below the seat level and between stringers 24 and 48 and thoroughly inspect both sides of the pressure bulkhead and ring. Particularly close inspection shall be made to detect any evidence of corrosion at the periphery of faying surfaces at the pressure diaphragm attachment to the bulkhead ring, the elevator-rudder cable pulley bracket attachment on the lower left side and the Cannon plug attachment.

(3) Replace any material or parts which show evidence of corrosion damage and thoroughly clean entire area, apply inhibitor, reseal, and paint in accordance with standard maintenance procedure. (See also (5), below.)

(4) Inspect as in (2) and repair as in (3) at each block overhaul or at periods not to exceed 4,000 hours. This time may be increased to 8,000 hours on those airplanes in which sealing and drainage provisions equivalent to those outlined in Lockheed Service Bulletin No. SB/597 are incorporated.

(5) If corrosion is found, flight operations shall be restricted, pending repairs, as follows:

(a) No flight is permissible with significant corrosion damage to bulkhead ring, web, control brackets or shell structure.

(b) Unpressurized flight is permissible if damage is confined strictly to the pressure diaphragm.

(Lockheed wire FS/228562W dated September 30, 1958, covers the same subject.)

(Lockheed Structural Repair Manual, Report Number 5886, covers acceptable repair methods.)

58-20-4 VERTOL. Applies to All Model 42 Series and 44 Series Helicopters. Compliance required as soon as possible but not later than December 1, 1958.

Fatigue failures of the 22D1073-4 jaw clutch driven and 22D1137-4 jaw clutch driver coupling have been found on both military and commercial Model 42 and 44 series helicopters. Failure of the teeth of these couplings can preclude successful reengagement of the clutch, thereby disconnecting the rotor drive system from the engine. To prevent failures of this nature, both the aforementioned driver and driven couplings must be replaced by the new 42D1142-1 and 42D1143-1 driver and driven couplings respectively.

The replacement couplings are of a new twelve tooth design and as such, require the replacement of the following additional parts and rework to account for differences in jaw teeth height and travel:

Parts to be replaced	*New replacement part*
Spring, 22D1170-1	63D2363-1
Cam, 3D3143	04D1043-1

Ream two existing holes 0.3750"/0.3755" diameter through 42D1046-1 yoke and 42D1048-1 follower. Install 42D1008-2 pin and AN 381-3-10 cotter pin.

Drill and ream 0.3750"/0.3755" diameter, two additional places, on 1.5 inch centerline through 42D1046-1 yoke and 42D1048-1 follower. Install 42D1008-2 pins when yoke diameter is 1.00 inch. Install AN 381-3-10 cotter pins.

All couplings removed should be destroyed or permanently marked in a manner that will assure retirement from service.

(Vertol's S. D. T. M.-1866 covers this same subject.)

This supersedes AD 58-10-4.

58-21-1 LOCKHEED. Applies to All Model 049, 149, 649, 649A, 749, 749A, 1049-54, 1049C, 1049D, 1049E, 1049G, 1049H, and 1649 Aircraft.

Compliance required as indicated.

This is a supplement to Airworthiness Directive 58-20-3, in that it applies to an additional area of the pressure bulkhead (Station 1037) and to a greater number of aircraft. A recent inspection of a Model 1049E airplane with 10,500 hours logged time revealed extensive corrosion along W. L. 239 (approximately) between a wood strip and pressure diaphragm at the lavatory seat level. Reported corroded area was approximately 27 inches long by 5 inches wide.

Accordingly, on all aircraft with 6000 or more flight hours that have or once had lavatories in this area, accomplish the following:

(1) Unless already accomplished per Lockheed wire FS/229080-W, within the next 50 flight hours thoroughly examine the aft side of the bulkhead for corrosion in the area of W. L. 239 from a height of 2 inches above to 2 inches below the centerline of rivet or screw attachments across the full width of the bulkhead. Probe the area with a blunt tool to detect advance stages of corrosion. If any evidence of corrosion is found, conduct inspection under step (3) immediately.

(2) Unless already accomplished per Lockheed wire FS/229080-W, within 400 hours, inspect in accordance with step (3) or alternatively as follows: Remove ⅝-inch maximum diameter slugs from the pressure diaphragm by means of a hole saw or equivalent method. Take samples at approximately 6 inches to 7 inches spacing from the back side of the bulkhead across its full width at approximately W. L. 239. Do not cut samples from diaphragm area covered by stiffeners. If samples show any evidence of corrosion, conduct inspection in accordance with step (3) immediately. Holes in diaphragm may be plugged in accordance with negligible damage repair shown in applicable structural repair manual.

(3) If corrosion is found as a result of steps (1) or (2), the following inspections shall be conducted immediately. If both steps (1) and (2) reveal no corrosion, the following inspection shall be conducted at the next block overhaul or within 4000 flight hours whichever occurs first and at each block overhaul or 4000-hour period there-

after. Remove toilet seats and other portions of installation as required. Peel back trim and insulation to expose trim strip and at least 2 inches of bulkhead web above and below trim strip, completely across bulkhead within each lavatory compartment. Remove trim strip and all paint, sealant and cement from the exposed area of web. Make close visual inspection for corrosion.

(4) Replace any material or parts which show evidence of corrosion damage. Strip to bare metal, apply inhibitor, sealant, and paint to all exposed web areas. In applying this protection, if the sealant and protective materials noted in Lockheed SB/597 are used, further special inspections at 4000-hour intervals may be discontinued and normal routine inspections resumed.

(5) If corrosion is found, flight operations shall be restricted, pending repairs, as follows:

(a) Unpressurized flight is permissible if corrosion damage is found on the diaphragm as a result of inspection per steps (1) and (2) above.

(Lockheed wire FS/229080-W, dated October 13, 1958, covers the same subject as this supplement.)

(Lockheed Structural Repair Manuals, as applicable, cover acceptable repair methods.)

(Sec. 205, 52 Stat. 984; 49 U. S. C. 425. Interprets or applies secs. 601, 603, 52 Stat. 1007, 1009, as amended; 49 U. S. C. 551, 553)

[SEAL] WILLIAM B. DAVIS,
Acting Administrator,
of Civil Aeronautics.

DECEMBER 8, 1958.

[F. R. Doc. 58-10264; Filed, Dec. 11, 1958; 8:45 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 74744]

PART 8—LIABILITY FOR DUTIES; ENTRY OF IMPORTED MERCHANDISE

ENTRIES OF UNCONDITIONALLY FREE MERCHANDISE

In line with an employee suggestion, the Bureau, with the concurrence of the Bureau of the Census, has decided that it will serve the public's interests and be sufficient for all customs and statistical purposes if entries of merchandise that is unconditionally free of duty and tax show the entered value, omitting the details from which the importer makes his computation such as gross amounts, deductions from or additions to invoice value, and the like, currently required by § 8.8 (b) of the Customs Regulations.

To give effect in the regulations to the adoption of this suggestion, § 8.8 is amended by adding after the word "invoice" where it first appears in paragraph (b), the words "of dutiable, taxable, or conditionally free merchandise" and by adding at the end of paragraph (b) a new sentence to read as follows: "For each invoice of merchandise that is unconditionally free of duty and tax, it will be sufficient if the entry data related to such invoice include the entered value, without details of the computation such as are specified for invoices of dutiable, taxable, or conditionally free merchandise."

(Sec. 484, 46 Stat. 722, as amended; 19 U. S. C. 1484)

[SEAL] D. B. STRUBINGER,
Acting Commissioner of Customs.

Approved: December 4, 1958.

A. GILMORE FLUES,
Acting Secretary of the Treasury.

[F. R. Doc. 58-10282; Filed, Dec. 11, 1958; 8:49 a. m.]

TITLE 15—COMMERCE AND FOREIGN TRADE

Chapter II—National Bureau of Standards, Department of Commerce

PART 204—ATOMIC AND RADIATION PHYSICS

PART 230—STANDARD SAMPLES AND REFERENCE STANDARDS ISSUED BY THE NATIONAL BUREAU OF STANDARDS

MISCELLANEOUS AMENDMENTS

In accordance with the provisions of section 4 (a) and (c) of the Administrative Procedure Act, it has been found that notice and hearing on these schedules of fees are unnecessary for the reason that such procedures, because of the nature of these rules, serve no useful purpose. These amendments are effective from December 1, 1958.

1. Section 204.201 *Radiometry* is amended by the deletion of item (d).

2. In § 230.11 *Descriptive list*, a new paragraph (aa) *Standards of thermal radiation* is added to read as follows:

(aa) *Standards of thermal radiation.*

Sample No.	Name	Price per sample
1001	Standard of thermal radiation	$79.00

(Sec. 9, 31 Stat. 1450, as amended; 15 U. S. C. 277. Interprets or applies sec. 7, 70 Stat. 959; 15 U. S. C. 275a)

R. D. HUNTOON,
Deputy Director,
National Bureau of Standards.

Approved: December 5, 1958.

LEWIS L. STRAUSS,
Secretary of Commerce.

[F. R. Doc. 58-10284; Filed, Dec. 11, 1958; 8:49 a. m.]

TITLE 26—INTERNAL REVENUE, 1954

Chapter I—Internal Revenue Service, Department of the Treasury

[T. D. 6338]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

On October 17, 1958, notice of proposed rule making regarding the amendment of the regulations under section 1033 of the Internal Revenue Code of 1954 to conform to section 5 of the Act of June 29, 1956 (Public Law 629, 84th Cong., 70 Stat. 407), relating to treatment of sales or exchanges of livestock solely on account of drought as involuntary conversions, was published in the FEDERAL REGISTER (23 F. R. 8035). No objection to the rules proposed having been received during the 30-day period prescribed in the notice, the regulations as so proposed are hereby adopted.

(68A Stat. 917; 26 U. S. C. 7805)

[SEAL] DANA LATHAM,
Commissioner of Internal Revenue.

Approved: December 8, 1958.

NELSON P. ROSE,
Acting Secretary of the Treausry.

PARAGRAPH 1. The second sentence of paragraph (b) of § 1.1033 (a)-1 is amended to read as follows: "Special rules apply to involuntary conversions of residence property, property sold pursuant to reclamation laws, livestock destroyed by disease, and livestock sold on account of drought (see §§ 1.1033 (b)-1, 1.1033 (d)-1, 1.1033 (e)-1, and 1.1033 (f)-1, respectively)."

PAR. 2. Sections 1.1033 (f) and 1.1033 (f)-1 are redesignated as § 1.1033 (g) and § 1.1033 (g)-1, respectively, and are amended to read as follows:

§ 1.1033 (g) *Statutory provisions; involuntary conversions; cross references.*

SEC. 1033. *Involuntary conversions.* * * *

(g) *Cross references.* (1) For determination of the period for which the taxpayer has held property involuntarily converted, see section 1223.

(2) For treatment of gains from involuntary conversions as capital gains in certain cases, see section 1231 (a).

§ 1.1033 (g)-1 *Effective date.* Except as provided otherwise in § 1.1033 (f)-1, the provisions of section 1033 and the regulations thereunder are effective for taxable years beginning after December 31, 1953, and ending after August 16, 1954.

PAR. 3. The following is inserted immediately after § 1.1033 (e)-1 (c):

§ 1.1033 (f) *Statutory provisions; livestock sold on account of drought.*

SEC. 1033. *Involuntary conversion.* * * *

(f) *Livestock sold on account of drought.* For purposes of this subtitle, the sale or exchange of livestock (other than poultry) held by a taxpayer for draft, breeding, or dairy purposes in excess of the number the taxpayer would sell if he followed his usual business practices shall be treated as an involuntary conversion to which this section applies if such livestock are sold or exchanged by the taxpayer solely on account of drought.

[Sec. 1033 (f) as added by sec. 5, Pub. Law 629, 84th Cong.]

§ 1.1033 (f)-1 *Sale or exchange of livestock solely on account of drought.* (a) The sale or exchange of livestock (other than poultry) held for draft, breeding, or dairy purposes in excess of the number the taxpayer would sell or exchange during the taxable year if he followed his usual business practices shall be treated as an involuntary conversion to which section 1033 and the regulations thereunder are applicable if the sale or exchange of such livestock by the taxpayer is solely on account of drought. Section 1033 (f) and this section shall apply only to sales and exchanges occurring after December 31, 1955.

(b) To qualify under section 1033 (f) and this section, the sale or exchange

of the livestock need not take place in a drought area. While it is not necessary that the livestock be held in a drought area, the sale or exchange of the livestock must be solely on account of drought conditions the existence of which affected the water, grazing, or other requirements of the livestock so as to necessitate their sale or exchange.

(c) The total sales or exchanges of livestock held for draft, breeding, or dairy purposes occurring in any taxable year which may qualify as an involuntary conversion under section 1033 (f) and this section is limited to the excess of the total number of such livestock sold or exchanged during the taxable year over the number that the taxpayer would have sold or exchanged if he had followed his usual business practices, that is, the number he would have been expected to sell or exchange under ordinary circumstances if there had been no drought. For example, if in the past it has been a taxpayer's practice to sell or exchange annually one-half of his herd of dairy cows, only the number sold or exchanged solely on account of drought conditions which is in excess of one-half of his herd may qualify as an involuntary conversion under section 1033 (f) and this section.

(d) The replacement requirements of section 1033 will be satisfied only if the livestock sold or exchanged is replaced within the prescribed period with livestock which is similar or related in service or use to the livestock sold or exchanged because of drought, that is, the new livestock must be functionally the same as the livestock involuntarily converted. This means that the new livestock must be held for the same useful purpose as the old was held. Thus, although dairy cows could be replaced by dairy cows, a taxpayer could not replace draft animals with breeding or dairy animals.

(e) The provisions of § 1.1033 (a)–2 shall be applicable in the case of a sale or exchange treated as an involuntary conversion under this section. The details in connection with such a disposition required to be reported under paragraph (c) (2) of § 1.1033 (a)–2 shall include:

(1) Evidence of the existence of the drought conditions which forced the sale or exchange of the livestock;

(2) A computation of the amount of gain realized on the sale or exchange;

(3) The number and kind of livestock sold or exchanged; and

(4) The number of livestock of each kind that would have been sold or exchanged under the usual business practice in the absence of the drought.

(f) The term "involuntary conversion", where it appears in subtitle A or the regulations thereunder, includes the sale or exchange of livestock described in this section.

(g) The provisions of section 1033 (f) and this section apply to taxable years ending after December 31, 1955, but only in the case of sales or exchanges of livestock after December 31, 1955.

[F. R. Doc. 58-10283; Filed, Dec. 11, 1958; 8:49 a. m.]

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

Subchapter B—Carriers by Motor Vehicle

[Ex parte No. MC-37]

PART 170—COMMERCIAL ZONES

ALBUQUERQUE, N. MEX., COMMERCIAL ZONE

At a Session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 3d day of December A. D. 1958.

It appearing that on November 26, 1946, the Commission, division 5, made and filed its first report, 46 M. C. C. 665, and order in the above-numbered proceeding establishing a mileage-population formula for the definition of the limits of the zone adjacent to and commercially a part of every municipality in the United States, with certain exceptions which did not include Albuquerque, N. Mex.,

It further appearing that by joint petition dated June 10, 1957, Albuquerque-Phoenix Express, Inc., Hill Lines, Inc., Illinois-California Express, Inc., Navajo Freight Lines, Inc., San Juan Basin Lines, Inc., and Whitfield Transportation Co., Inc., seek redefinition and extension of the Albuquerque, N. Mex., commercial zone limits;

It further appearing that a notice of proposed rule making affecting the Albuquerque, N. Mex., commercial zone limits was issued on July 2, 1958, and published in the FEDERAL REGISTER at 23 F. R. 5260.

And it further appearing that section 203 (b) (8) of the Interstate Commerce Act (49 U. S. C. 303 (b) (8)) and the transportation of passengers and property by motor vehicle, in interstate or foreign commerce, wholly within a municipality or between contiguous municipalities, or within a zone adjacent to and commercially a part of such municipality being under consideration, and good cause appearing therefor:

It is ordered, That said proceeding insofar as it relates to the zone adjacent to and commercially a part of Albuquerque, N. Mex., be, and it is hereby, reopened for further consideration;

It is further ordered, That Part 170 be, and it is hereby, amended by adding thereto the following section:

§ 170.14 *Albuquerque, N. Mex.* That zone adjacent to and commercially a part of Albuquerque, N. Mex., within which transportation by motor vehicle, in interstate or foreign commerce, not under a common control, management, or arrangement for a continuous carriage or shipment to or from a point beyond the zone, is partially exempt, under section 203 (b) (8) of the Interstate Commerce Act (49 U. S. C. 303 (b) (8)) from regulation, includes and is comprised of, all points as follows:

(a) The municipality of Albuquerque, N. Mex., itself.

(b) All points within a line drawn 5 miles beyond the corporate limits of Albuquerque, N. Mex.

(c) All of any municipality any part of which is within the limits of the boundary defined in paragraph (b) of this section.

(d) All of any municipality wholly surrounded, or so surrounded except for a water boundary, by the city of Albuquerque, N. Mex., or by any municipality included under the terms of paragraph (c) of this section.

And it is further ordered, That this order shall become effective on January 20, 1959, and shall continue in effect until the further order of the Commission.

(49 Stat. 546, as amended; 49 U. S. C. 304, interprets or applies 49 Stat. 543, as amended, 544, as amended; 49 U. S. C. 302, 303)

By the Commission, Division 1.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F. R. Doc. 58-10273; Filed, Dec. 11, 1958; 8:47 a. m.]

TITLE 46—SHIPPING

Chapter I—Coast Guard, Department of the Treasury

Subchapter N—Explosives or Other Dangerous Articles or Substances and Combustible Liquids on Board Vessels

[CGFR 58-48]

PART 146—TRANSPORTATION OR STORAGE OF EXPLOSIVES OR OTHER DANGEROUS ARTICLES OR SUBSTANCES, AND COMBUSTIBLE LIQUIDS ON BOARD VESSELS

MISCELLANEOUS AMENDMENTS

The provisions of R. S. 4472, as amended (46 U. S. C. 170), require that the land and water regulations governing the transportation of dangerous articles or substances shall be as nearly parallel as practicable. The provisions in 46 CFR 146.02-18 and 146.02-19 make the Dangerous Cargo Regulations applicable to all shipments of dangerous cargoes by vessels. The Interstate Commerce Commission in Orders Nos. 35 and 36 has made changes in the ICC regulations with respect to the definitions, descriptions, descriptive names, classifications, specifications of containers, packing, marking, labeling, and certification, which are now in effect for land transportation. Various amendments to the Dangerous Cargo Regulations in 46 CFR Part 146 have been included in this document in order that these regulations governing water transportation of certain dangerous cargoes will be as nearly parallel as practicable with the regulations of the Interstate Commerce Commission which govern the land transportation of the same commodities.

Since the amendments in this document are revised requirements to agree with existing ICC Regulations or are editorial in nature, it is hereby found that compliance with the Administrative Procedure Act (respecting notice of proposed rule making, public rule making procedure thereon, and effective date requirements thereof) is unnecessary. The Federal Register Division will issue a pocket supplement to the volume of the Code of Federal Regulations containing 46 CFR Parts 146 to 149 which will set forth in full text the regulations as revised since January 1, 1958. This supplement contains all of the changes to the

regulations in 46 CFR Parts 146 and 147 published during the calendar year 1958.

By virtue of the authority vested in me as Commandant, United States Coast Guard, by Treasury Department Orders 120, dated July 31, 1950 (15 F. R. 6521), 167-14, dated November 26, 1954 (19 F. R. 8026), and CGFR 56-28, dated July 24, 1956 (21 F. R. 5659), to promulgate regulations in accordance with the statutes cited with the regulations below, the following amendments are prescribed and shall become effective on December 31, 1958:

SUBPART—LIST OF EXPLOSIVES OR OTHER DANGEROUS ARTICLES CONTAINING THE SHIPPING NAME OR DESCRIPTION OF ARTICLES SUBJECT TO THE REGULATIONS IN THIS CHAPTER

§ 146.04-5 *List of explosives and other dangerous articles and combustible liquids.*

Article	Classed as—	Label required [1]
Items Added		
* * *	* * *	* * *
Bombs, practice, with electric primers or electric squibs.	No restrictions.	
* * *	* * *	* * *
Chlorpicrin and noninflammable, nonliquefied compressed gas mixtures (see: "Chlorpicrin and methyl chloride, mixtures").	Pois. A	Poison gas.
* * *	* * *	* * *
Explosive power devices (see: "Explosive cable cutters").	Expl. C	
* * *	* * *	* * *
Nitrocellulose flakes, wet with alcohol or solvent. (see: "Wet nitrocellulose, colloided, granular or flake—20 percent alcohol or solvent").		
* * *	* * *	* * *
Rocket bodies, with electric primers or electric squibs.	No restrictions.	
* * *	* * *	* * *
Smoke grenades (see: "Flares and signalling devices").	Expl. C	
* * *	* * *	* * *
Trick noise makers, explosive (see: "Explosive auto alarms").	Expl. C	
* * *	* * *	* * *
Wet nitrocellulose flakes—20 percent alcohol or solvent. (see: "Wet nitrocellulose, colloided, granular or flake—20% alcohol or solvent").	Inf. I	Red.
* * *	* * *	* * *
Items Changed		
* * *	* * *	* * *
Hafnium powder or sponge, dry.	Inf. S	Yellow.
Hafnium powder, wet or sludge.	Inf. S	Yellow.
* * *	* * *	* * *
Liquefied carbon dioxide gas (mining device). (see: "Carbon dioxide gas, liquefied (mining device)").	Nonlnf. G	Green gas.
* * *	* * *	* * *
Peroxides, organic, liquids or solutions, N. O. S.	Inf. L	Red.
* * *	* * *	* * *
Rifle powder. (see: "Propellant explosives, Class A", "Propellant explosives, Class B", or "Black powder").		
* * *	* * *	* * *
Smokeless powder for cannon or small arms. (see: "Propellant explosives, Class A", or "Propellant explosives, Class B").		
* * *	* * *	* * *
Zirconium powder or sponge, dry.	Inf. S	Yellow.
Zirconium powder, wet or sludge.	Inf. S	Yellow.
Canceled		
Negative cotton (see: "High explosives").		

[1] Unless otherwise exempt by the provisions of the detailed regulations.

SUBPART—DETAILED REGULATIONS GOVERNING EXPLOSIVES

1. Section 146.20-3 *Prohibited or not permitted explosives* is amended by changing paragraphs (e), (g), (m), and (q) to read as follows:

§ 146.20-3 *Prohibited or not permitted explosives.* * * *

(e) Explosives condemned by the Interstate Commerce Commission (except properly packed samples for laboratory examinations). Appeal may be made to the Interstate Commerce Commission from such condemnations.

* * * * *

(g) Condemned or leaking dynamite shall not be repacked and offered for shipment unless written authority is granted by the Interstate Commerce Commission and the repacking is done by a competent person in the presence of an inspector designated by the Interstate Commerce Commission.

* * * * *

(m) Fireworks condemned by the Interstate Commerce Commission except properly repacked samples for laboratory examinations.

* * * * *

(q) New explosives except samples for laboratory examination and military explosives approved by the Chief of Ordnance, Department of the Army; Chief, Bureau of Ordnance, Department of the Navy, or Air Materiel Command, Department of the Air Force. All other new explosives must be approved for transportation by the Interstate Commerce Commission.

2. Section 146.20-7 *Class A explosives* is amended by changing paragraph (l) to read as follows:

§ 146.20-7 *Class A explosives.* * * *

(l) Grenades, hand or rifle, are small metal or other containers designed to be thrown by hand or projected from a rifle. They are filled with an explosive or a liquid, gas, or solid material such as a toxic or tear gas or an incendiary or smoke producing material and a bursting charge. When shipped without explosives or bursting charges, see "Chemical ammunition, class A or B poisons", as set forth in §§ 146.25-100 and 146.25-200. For tear gas grenades see § 146.25-300.

3. Section 146.20-9 *Class B explosives* is amended by changing paragraph (c) to read as follows:

§ 146.20-9 *Class B explosives.* * * *

(c) Special fireworks are manufactured articles designed primarily for the purpose of producing visible or audible pyrotechnic effects by combustion or explosion. (See Class C explosives for "Fireworks, common".) Examples are toy torpedoes, railway torpedoes, some firecrackers and salutes, exhibition display pieces, aeroplane flares, illuminating projectiles, incendiary projectiles, incendiary bombs or incendiary grenades and smoke projectiles or smoke bombs fuzed or unfuzed and containing expelling charges but without bursting charges, flash powders in inner units not exceeding 2 ounces each, flash sheets in interior packages, flash powder or spreader cartridges containing not over 72 grains of flash powder each and flash cartridges consisting of a paper cartridge shell, small-arms primer, and flash composition, not exceeding 180 grains all assembled in one piece. Fireworks must be in a finished state, exclusive of mere ornamentation, as supplied to the retail trade and must be so constructed and packed that loose pyrotechnic composition will not be present in packages in transportation.

4. Section 146.20-11 *Class C explosives* is amended by changing paragraph (n), paragraph (q) (7), and paragraphs (x), (y), and (z); and by adding a new paragraph (aa) as follows:

§ 146.20-11 *Class C explosives.* * * *

(n) Safety fuse consists of a core of black powder overspun with yarns, waterproofing compounds, and/or tapes.

* * * * *

(q) * * *

(7) Illuminating torches and colored fire in any form, total pyrotechnic composition not to exceed one hundred grams each in weight.

* * * * *

(x) Cigarette loads, trick matches and trick noise makers, explosive, must be of a type approved by the Interstate Commerce Commission, and are described as follows:

* * * * *

(3) Trick noise makers, explosive, consist of spheres containing a small amount of explosive composition.

(y) Smoke candles, smoke pots, smoke grenades, and smoke signals containing not more than 200 grams of pyrotechnic composition each, without bursting charges, hand signal devices, very signal cartridges, and highway or railway fusees are devices designed to produce visible effects for signal purposes.

(z) Explosive release devices consist of a rod or link fitted with means for mechanical attachment to other apparatus or equipment and containing a small electrically initiated explosive charge which will break the rod or link upon functioning. These devices must be so designed that they will not function other explosive devices in the package sympathetically.

(aa) Explosive power devices are devices designed to drive generators or mechanical apparatus by means of propellant explosives, Class B. The devices consist of a housing with a contained propellant charge and an electric igniter or squib and shall contain not more than 400 grams of explosive composition. The devices must be of a design approved by the Interstate Commerce Commission.

5. Section 146.20-100 *Table A—Classification: Class A; dangerous explosives* is amended by revising various items as follows:

a. Amend the item "High explosives (*containing no liquid explosive ingredient nor any chlorate*) etc." as follows: In column 4, change "Amatol when cast in a solid block, etc." to read:

Amatol when cast or compressed in a block or column may also be shipped in: Steel

barrels or drums (ICC-13A) not over 90 lb. gr. wt.

b. Amend the item "Ammunition for cannon, nonexplosives" as follows: In column 2, change the text to read as follows:

Nonexplosive ammunition is devices containing no explosives, or other dangerous articles, such as cartridge cases, dummy or drill cartridges, empty or sand-loaded or solid projectiles with or without tracers (containing not in excess of 1 ounce of tracer composition), empty mines, empty bombs, solid projectiles, empty torpedoes, or practice bombs or rocket bodies equipped with electric primers or electric squibs. Rotating bands should be protected against deformation by method of packing or loading.

6. Section 146.20-200 *Table B—Classification: Class B; less dangerous explosives* is amended as follows: Amend the item "Fireworks, special (special fireworks)" as follows: In column 2, delete the present wording and insert the following in lieu thereof:

Special fireworks are manufactured articles designed primarily for the purpose of producing visible or audible pyrotechnic effects by combustion or explosion. (See Class C explosives for "Fireworks, common".) Examples are toy torpedoes, railway torpedoes, some firecrackers and salutes, exhibition display pieces, aeroplane flares, illuminating projectiles, incendiary projectiles, incendiary bombs or incendiary grenades and smoke projectiles or smoke bombs fuzed or unfuzed and containing expelling charges but without bursting charges, flash powders in inner units not exceeding 2 ounces each, flash sheets in interior packages, flash powder or spreader cartridges containing not over 72 grains of flash powder each and flash cartridges consisting of a paper cartridge shell, small-arms primer, and flash composition, not exceeding 180 grains all assembled in one piece. Fireworks must be in a finished state, exclusive of mere ornamentation, as supplied to the retail trade and must be so constructed and packed that loose pyrotechnic composition will not be present in packages in transportation.

Each outside container shall be plainly marked: "Special Fireworks—Handle Carefully—Keep Fire Away".

Do not stow in same compartment with any inflammable liquid or solid, inflammable compressed gas or combustible organic material.

7. Section 146.20-300 *Table C—Classification: Class C; relatively safe explosives* is amended by revising various items as follows:

a. Amend the item "Explosive auto alarms, etc." as follows:

i. In column 1, after "Trick matches" insert:

Trick noise makers.

ii. In column 2, insert:

Trick noise makers, explosive, consist of spheres containing a small amount of explosive composition.

b. Amend the item "Explosive cable cutters, etc." as follows:

i. In column 1, after "Explosive cable cutters" insert:

Explosive power devices.

ii. In column 2, insert:

Explosive power devices are devices designed to drive generators or mechanical apparatus by means of propellant explosives, Class B. The devices consist of a housing with a contained propellant charge and an electric igniter or squib and shall contain not more than 400 grams of explosive composition. The devices must be of a design approved by the ICC.

iii. In column 2, amend the last paragraph to read as follows:

Each outside container must be plainly marked "Explosive Cable Cutters", "Explosive Power Devices" or "Explosive Release Devices" as applicable, and "Handle Carefully—Keep Fire Away".

iv. In column 3, insert:

No label required.

c. Amend *"Flares and signalling devices"* as follows:

i. In column 1, after "Smoke candles" insert:

Smoke grenades.

ii. In column 2, change the second paragraph to read as follows:

Each outside container must be plainly marked: "Hand Signal Devices", "Signal Flares", "Smoke Candles", "Smoke Grenades", "Smoke Pots", "Smoke Signals" or "Very Signal Cartridges" as the case may be and with the additional marking: "Handle Carefully—Keep Fire Away".

SUBPART—DETAILED REGULATIONS GOVERNING INFLAMMABLE LIQUIDS

1. Section 146.21-65 *Limited quantity shipments* is amended by changing paragraph (c) (26) to read as follows:

§ 146.21-65 *Limited quantity shipments.* * * *

(c) * * *

(26) Peroxides, organic, liquids or solutions, N. O. S.

2. Section 146.21-100 *Table D—Classification: Inflammable liquids* is amended by revising various items as follows:

a. Amend the following items as indicated:

(1) Acetaldehyde (*ethyl aldehyde*).
(2) Acetone, etc.
(3) Allyl bromide, etc.
(4) Amyl nitrite.
(5) Antifreeze compounds, liquid.
(6) Benzene (benzol), etc.
(7) Box toe gum.
(8) Butyl acetate.
(9) Butyraldehyde.
(10) Cement, leather, etc.
(11) Cigar and cigarette lighter fluid.
(12) Coal tar distillate, etc.
(13) Collodion.
(14) Compounds, cleaning liquid, etc.
(15) Compounds, lacquer, paint, or varnish, etc.
(16) Compounds, tree or weed killing, liquid.
(17) Crotonaldehyde.
(18) Crude oil, petroleum.
(19) Cyclohexane, etc.
(20) Diethylamine, etc.
(21) Dimethylamine aqueous solution, etc.
(22) Drugs, chemicals, medicines, or cosmetics, N. O. S.
(23) Ether, etc.
(24) Ethyl acetate.
(25) Ethyl formate.
(26) Ethyl methyl ketone, etc.
(27) Ethyl nitrite (*nitrous ether*).
(28) Ethylene dichloride, etc.
(29) Gas drips, hydrocarbon, etc.
(30) Heptane.
(31) Hexane.
(32) Inflammable liquids, N. O. S., etc.
(33) Ink.
(34) Insecticide, liquid (*vermin exterminator*).
(35) Isooctane, etc.
(36) Isopentane, etc.
(37) Isopropyl acetate.
(38) Lacquer base or lacquer chips, plastic, etc.
(39) Methyl acetate, etc.
(40) Methyl formate.
(41) Methyl iso-propenyl ketone, inhibited.
(42) Methyl methacrylate monomer.
(43) Motor fuel, N. O. S.
(44) Neohexane.
(45) Oil, etc.
(46) Paint, enamel, lacquer, etc.
(47) Pentane, etc.
(48) Polishes, metal, stove, furniture and wood, liquid, etc.
(49) Propylene oxide.
(50) Pyridine.
(51) Resin solution.
(52) Road asphalt or tar, liquid, etc.
(53) Sodium methylate, alcohol mixture.
(54) Solvents, N. O. S., etc.
(55) Toluol, etc.
(56) Turpentine substitutes, etc.
(57) Vinylidene chloride, inhibited.
(58) Wet nitrocellulose, colloided, granular or flake, etc.
(59) Xylol, etc.

In columns 4, 5, 6 and 7, if permitted, under "Outside containers: Steel barrels or drums", add the following:

(ICC-6J) WIC ICC-2S, polyethylene, not over 55 gal. cap.

b. Amend the item "Peroxides, organic liquid N. O. S." as follows: In column 1, amend the item to read:

Peroxides, organic, liquids or solutions, N. O. S.

3. Amend the item "Wet nitrocellulose colloided, granular or flake, etc." by inserting the following after the entry:

i. In Column 1, insert:

Wet nitrocellulose flakes—20 percent alcohol or solvent (must contain at least 20 percent by weight of alcohol or a solvent with flashpoint not lower than 30° F.)

ii. In column 2, insert:

Characteristics and hazards similar to those above.

iii. In column 3, insert:

Red.

SUBPART—DETAILED REGULATIONS GOVERNING INFLAMMABLE SOLIDS AND OXIDIZING MATERIALS

1. Section 146.22-1 *Definition of inflammable solids and oxidizing materials* is amended by changing the second sentence, pertaining to oxidizing materials, to read as follows:

§ 146.22-1 *Definition of inflammable solids and oxidizing materials.* * * * An oxidizing material is defined by the Interstate Commerce Commission regulations as a substance such as a chlorate, permanganate, peroxide, nitro carbo nitrate, or a nitrate that yields oxygen readily to stimulate the combustion of organic matter. * * *

2. Section 146.22-15 *Mixed stowages of oxidizing materials* is amended by

changing the preliminary text to read as follows:

§ 146.22–15 *Mixed stowages of oxidizing materials.* The stowage of bichromates, chlorates, perchlorates, nitro carbo nitrate and peroxides with explosives and other dangerous articles shall conform to the following conditions.

* * * * *

3. Section 146.22–25 *Exemptions for inflammable solids and oxidizing materials* is amended by changing items in paragraph (d) to read as follows:

§ 146.22–25 *Exemptions for inflammable solids and oxidizing materials.* * * *

(d) * * *

Hafnium powder or sponge, dry.
Hafnium powder, wet or sludge.

* * * * *

Zirconium powder or sponge, dry.
Zirconium powder, wet or sludge.

4. Section 146.22–100 *Table E—Classification: Inflammable solids and oxidizing materials* is amended by changing various items as follows:

a. Amend the item "Hafnium metal powder or sponge, dry, etc." as follows:

i. In column 1, delete the present wording and insert:

Hafnium powder or sponge, dry.

NOTE: Hafnium of particle size exceeding 20 mesh is not subject to the regulations in this subpart.

ii. In column 4, change "Authorized only for hafnium metal sponge, etc." to read:

Authorized only for hafnium sponge (not powder):

b. Amend the item "Hafnium metal powder, wet or sludge" as follows:

i. In column 1, change the item to read:

Hafnium powder, wet or sludge.

ii. In column 2, change the first paragraph to read:

Hafnium powder, wet with water, or in water.

c. Amend the item "Zirconium metal powder or sponge, dry, etc." as follows:

i. In column 1, delete the present wording and insert:

Zirconium powder or sponge, dry.

NOTE: Zirconium of particle size exceeding 20 mesh is not subject to the regulations in this subpart.

ii. In column 4, change "Authorized only for zirconium metal sponge, etc." to read:

Authorized only for zirconium sponge (not powder):

d. Amend the item "Zirconium metal powder, wet or sludge" as follows:

i. In column 1, change the item to read:

Zirconium powder, wet or sludge.

SUBPART—DETAILED REGULATIONS GOVERNING CORROSIVE LIQUIDS

1. Section 146.23–100 *Table F—Classification: Corrosive liquids* is amended by changing various items as follows:

a. Amend the item "Chemical kits, etc." as follows: In columns 4, 5, 6, and 7, insert:

Chemical kits containing acids or corrosive liquids and other materials not classed as dangerous articles used for photographic processing must be packed in: Fiberboard boxes (ICC–12A) WIC, not over 65 lb. gr. wt.

b. Amend the item "Electrolyte (acid) or corrosive battery fluid" as follows: In columns 4, 5, 6, and 7 under "Outside containers: Steel barrels or drums" change "(ICC–6J) WIC, etc." to read:

(ICC–5B, 6J, 37A) WIC ICC 2S polyethylene not over 55 gal. cap.

c. Amend the item "Hydrazine, anhydrous, etc." as follows: In column 4, under "Outside containers" insert the following:

Tank cars complying with ICC regulations.

d. Amend the item "Hydrochloric (muriatic) acid" as follows:

i. In columns 4, 5, 6, and 7 under "Outside containers" after "Wooden box (ICC–16A) etc." insert the following:

Fiberboard boxes (ICC–12A, 12B) WIC, not over 65 lb. gr. wt.

ii. In columns 4, 5, 6, and 7, delete the following:

Authorized for hydrochloric acid mixtures and compounds, cleaning, liquid (containing not over 28% hydrochloric (muriatic)) acid: Fiberboard boxes (ICC–12B) WIC, not over 65 lb. gr. net.

iii. In columns 4, 5, 6, and 7, under "Outside containers: Steel barrels or drums" after "(ICC–5B, 6J, 37A) etc." insert the following:

(ICC–37A) STC, WIC ICC–2T polyethylene, not over 13 gal. cap.

e. Amend the item "Nitric acid" as follows: In column 4, under "Outside containers: Nitric acid of 72% or less concentration:" add the following:

Portable tanks (ICC–60) glass lined, not over 8,000 lb. gr. wt.

f. Amend the item "Sodium chlorite solution etc." as follows: In columns 4, 5, 6 and 7, under "Outside containers: Steel barrels or drums" after "ICC–5B, 6J, 37A) etc." insert:

(ICC–37A) STC, WIC ICC–2T polyethylene, not over 13 gal. cap.

g. Amend the item "Sulfuric acid (oil of vitriol) etc." as follows:

i. In columns 4, 5, 6 and 7, under "Outside containers" delete the following:

For sulfuric acid concentrations not over 76%:
Steel barrels or drums:
(ICC–6J) WIC (ICC 2S polyethylene) not over 55 gal. cap.

ii. In columns 4, 6 and 7, under "For sulfuric acid of concentrations not to exceed 95%, etc." change "Metal drums (ICC–6J) etc." to read:

Steel barrels or drums (ICC–5B, 6J, 37A) WIC ICC–2S polyethylene, not over 55 gal. cap.

SUBPART—DETAILED REGULATIONS GOVERNING COMPRESSED GASES

1. Section 146.24–15 *Containers* is amended by deleting paragraph (g) and changing paragraph (f) to read as follows:

§ 146.24–15 *Containers.* * * *

(f) Mixtures containing compressed gas or gases including insecticides and refrigerant gases, which are noninflammable and nonpoisonous may be shipped in inside metal containers ICC–2P packed in strong wooden or fiberboard boxes of such design as to protect valves from injury or accidental functioning under conditions incident to transportation. Pressure in the container must not exceed 85 pounds per square inch absolute at 70° F. Each completed metal container filled for shipment must be heated until content reaches a minimum temperature of 130° F. without evidence of leakage, distortion or other defect. Each outside container shall be plainly marked "Inside containers comply with prescribed specifications" and shall bear the proper label.

2. Section 146.24–20 *Exemptions for compressed gases* is amended by changing paragraphs (a) and (h) to read as follows:

§ 146.24–20 *Exemptions for compressed gases.* * * *

(a) In containers not exceeding 2 inches outside diameter and of not more than 4 fluid ounces capacity.

* * * * *

(h) Inside nonrefillable metal containers of a capacity not to exceed 31.83 cubic inches (17.6 fluid ounces) charged with a solution of nonpoisonous and noninflammable materials and nonliquefied compressed gases. Pressure in the container not to exceed 140 pounds per square inch absolute at 130° F. The metal container must be capable of withstanding without bursting a pressure of two times the pressure of the container at 70° F. or one and one half times the pressure of the contents at 130° F., whichever is greater.

SUBPART—DETAILED REGULATIONS GOVERNING POISONOUS ARTICLES

1. Section 146.25–25 *Exemptions for radioactive materials* is amended editorially by changing paragraph (c) to read as follows to correct a repetition:

§ 146.25–25 *Exemptions for radioactive materials.* * * *

(c) Radioactive materials, such as ores, residues, etc., of low activity, packed in strong tight containers, are exempt from specification packaging, marking other than name of contents, and labeling requirements for transportation on board vessels only if the gamma radiation or equivalent at any point in any space or area continuously occupied by passengers, crew, or shipments of animals, will not exceed 40 milliroentgens per 24 hours at any time during transportation. Except when handling is supervised by the Atomic Energy Commission, shipments must be loaded by consignor and unloaded by the consignee.

2. Section 146.25–45 *Limitation on all stowage* is amended by changing paragraph (g) to read as follows to correct deletion of a definition in paragraph (f):

§ 146.25–45 *Limitation on all stowage.* * * *

(g) Not more than 40 units of radioactive materials, red label (Groups I and

II), shall be stowed together in any one area or place. One unit equals 1 milliroentgen per hour at a distance of 1 meter (39.3 inches) for hard gamma radiation or the amount of radiation which has the same effect on film as 1 milliroentgen per hour per meter of hard gamma rays of radium filtered by ½-inch of lead. If the shipment exceeds 40 units, a distance of at least 60 feet must separate increments of not more than 40 units each.

3. Section 146.25–100 *Table H—Classification: Class A; extremely dangerous poisons* is amended as follows:

a. Amend the item "Chlorpicrin and methyl chloride, mixtures" as follows:

i. In column 1, add the following:

Chlorpicrin and noninflammable, nonliquefied compressed gas mixtures.

ii. In column 4, change the "NOTE" to read as follows:

NOTE: Valves or other closing devices must be protected by screw-on metal caps or by backing cylinders in strong boxes or crates. Cylinders having a wall thickness of less than 0.10 inch must be packed in boxes or crates. Boxes or crates containing cylinders must be marked with the prescribed name of contents, prescribed label, and the notation "This side up" and "Inside Packages Comply with ICC Specifications".

b. Amend the item "Gas identification sets" as follows: In column 4, under "Outside containers" change "mls." to read:

Cubic centimeters.

4. Section 146.25–200 *Table H—Classification: Class B; less dangerous poisons* is amended by revising various items as follows:

a. Amend the following items as indicated:

(1) Aldrin mixtures, dry, with more than 65 percent aldrin, etc.
(2) Ammonium arsenate, solid.
(3) Arsenic acid, solid, etc.
(4) Arsenic bromide, solid, etc.
(5) Arsenic sulfide (powder) solid.
(6) Arsenical compounds or mixtures, N. O. S. solid.
(7) Bordeaux arsenites, solid, etc.
(8) Cocculus, solid (*fish berry*).
(9) Dinitrobenzol, solid, etc.
(10) Drugs, chemicals, medicines or cosmetics, N. O. S. (solid)
(11) Ferric arsenate, solid.
(12) Insecticide, dry, etc.
(13) Lead arsenate, solid, etc.
(14) *Mercury compounds, solid.*
(15) *Mercury compounds, solid*—Continued.
(16) Nicotine salicylate.
(17) Nitrochlorbenzene, meta or para, solid.
(18) Poisonous solids, N. O. S.
(19) Potassium arsenate, solid, etc.
(20) Thallium salts, solid, etc.
(21) Zinc arsenate, etc.

In columns 4, 5, 6 and 7, under "Outside containers: Steel barrels or drums" change "(ICC–17H, 37A, 37B) etc." to read:

(ICC–17E, 17H, 37A, 37B) STC not over 375 lb. gr. wt. When material is fused solid 880 lb. gr. wt. authorized.

In columns 4 and 7, when applicable, change "Tank cars (ICC–103, etc.)" to read:

Tank cars complying with ICC regulations.

(R. S. 4405, as amended, 4462, as amended, 4472, as amended; 46 U. S. C. 375, 416, 170. Interpret or apply sec. 3, 68 Stat. 675; 50 U. S. C. 198; E. O. 10402, 17 F. R. 9917, 3 CFR, 1952 Supp.)

Dated: December 3, 1958.

[SEAL] A. C. RICHMOND,
Vice Admiral, U. S. Coast Guard,
Commandant.

[F. R. Doc. 58–10280; Filed, Dec. 11, 1958; 8:48 a. m.]

PROPOSED RULE MAKING

POST OFFICE DEPARTMENT

[39 CFR Part 41]

SERVICE IN POST OFFICES

CLOSING OF POST OFFICE BOXES USED FOR UNLAWFUL OR IMPROPER PURPOSES

It is proposed to issue regulations to authorize the closing of Post Office boxes which are being used for fraudulent, deceptive or unlawful schemes or for immoral or improper purposes, for purposes of lotteries, or for purposes which endanger the safety of the mails.

The proposed regulations relate to a proprietary function of the Government and hence are exempt from the rule making requirements of 5 U. S. C. 1003. However, it is the desire of the Postmaster General to voluntarily observe the rule making requirements of the Administrative Procedures Act in matters of this kind, and to afford the patrons of the Postal Service an opportunity to present written views concerning the proposed regulations. Accordingly, such written views may be submitted to Mr. Joseph H. Blandford, Associate General Counsel, Room 5220, Post Office Department Building, Washington 25, D. C., at any time prior to January 15, 1959. The proposed regulations are as follows:

In § 41.3 *Post office boxes* amend paragraph (g) by adding thereto a subparagraph (4) to read as follows:

(4) *Closing of box.* When a postmaster has reason to believe that a box is being used for a fraudulent, deceptive or unlawful scheme, or for an immoral or improper purpose, or for purposes of a lottery, or that the safety of the mail is endangered by its continued use, or that its use is for other than the receipt of mail or official postal notices, he will report the facts to the General Counsel who, if he finds that the box is being used for any of said purposes, shall have the right to order the box closed.

NOTE: The corresponding Postal Manual section is 151.384.

(R. S. 161, as amended, 396, as amended; 5 U. S. C. 22, 369)

[SEAL] HERBERT B. WARBURTON,
General Counsel.

[F. R. Doc. 58–10294; Filed, Dec. 11, 1958; 8:51 a. m.]

INTERSTATE COMMERCE COMMISSION

[49 CFR Part 165a]

[Ex Parte No. MC–53]

CERTIFICATES AND PERMITS

INTERPRETATION OF OPERATING RIGHTS; RETURNED CONTAINERS

At a General Session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 1st day of December A. D. 1958.

It appearing that in Descriptions in Motor Carrier Certificates, 61 M. C. C. 209, it was found that authority to transport iron and steel articles listed in Appendix V thereto would include authority to transport, on return movements, skids, pallets, or containers used for the transportation of such articles;

And it appearing that in Aetna Freight Lines, Inc., Extension—Empty Containers, 66 M. C. C. 36, it was found that the certificate under consideration therein, insofar as it authorized the transportation of iron and steel articles, allowed also the transportation of skids, pallets, empty containers, and other incidental devices used in the outbound transportation of iron and steel articles in the reverse direction from the destination points authorized to be served on the outbound movements of the iron and steel articles to the authorized origins of the outbound shipments.

And it appearing that the Commission has under consideration the question whether all certificates of public convenience and necessity issued to motor common carriers, and all permits issued to motor contract carriers should be interpreted as authorizing the return of containers and other shipping devices used in outbound movements.

Therefore, it is ordered, That, pursuant to section 4 (a) of the Administrative Procedure Act (5 U. S. C. 1003), and sections 207 (a), 208 (a), and 209 of the Interstate Commerce Act, a rule-making proceeding be, and it is hereby, instituted on the Commission's own motion to determine whether Part 165a should be amended by the addition of Subpart B—Interpretation of Operating Rights and the following rule or a rule for a similar application should be adopted under § 165a.10:

§ 165a.10 *Return of containers and other shipping devices.* All certificates and permits issued to motor carriers are

interpreted as authorizing the return transportation of boxes, crates, cases, barrels, drums, baskets, hampers, cans, bottles, hangers, sacks, cones, spools, skids, pallets, blocks, bracing, and other containers, dunnage, and incidental shipping devices from the destination to the origin of a commodity or commodities transported by a motor carrier under a certificate or permit provided the containers or other shipping devices were used in the outbound transportation of the commodity or commodities by the motor carrier.

It is further ordered, That no oral hearing be held with respect to the proposed rule, but that any interested party may file, on or before February 2, 1959, with this Commission, written statements containing data, views, and arguments concerning the proposed rule.

And it is further ordered, That notice of the proceeding shall be given to the general public by depositing a copy of this order in the office of the Secretary of the Commission for public inspection, and by filing a copy with the Director, Federal Register Division.

By the Commission.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F. R. Doc. 58-10272; Filed, Dec. 11, 1958; 8:46 a. m.]

[49 CFR Part 195]

[Ex Parte No. MC-40]

HOURS OF SERVICE OF DRIVERS

QUALIFICATIONS AND MAXIMUM HOURS OF SERVICE OF EMPLOYEES OF MOTOR CARRIERS AND SAFETY OF OPERATION AND EQUIPMENT

At a General Session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 1st day of December A. D. 1958.

The matter of hours of service of drivers under the Motor Carrier Safety Regulations prescribed by order of April 14, 1952, as amended, being under consideration; and

It appearing that continuing study and investigation has established facts which warrant amendment of § 195.12 relating to relief from regulations, the vacating and setting aside of §§ 195.10 and 195.11 relating to adverse driving conditions and emergency conditions, and that a new § 195.11 relating to drivers declared "Out of Service", be prescribed; and good cause appearing therefor:

It is ordered, That pursuant to section 4 (a) of the Administrative Procedure Act (60 Stat. 237, 5 U. S. C. 1003), notice is hereby given of the Commission's proposal to vacate and set aside § 195.10 *Adverse driving conditions* and § 195.11 *Emergency conditions* now in effect and amend § 195.12 *Relief from regulations* of the Motor Carrier Safety Regulations, adopted April 14, 1952, as amended (49 CFR Part 195), (Authority: 49 Stat. 546, as amended, 49 U. S. C. 304), and prescribe a new § 195.11 as follows:

§ 195.11 *Drivers declared "Out of Service"*. Every safety supervisor, district supervisor or safety inspector of the Bureau of Motor Carriers is authorized to notify and declare "Out of Service" with the prescribed Form BMC-65, any driver who he finds at the time and place of examination to have been on duty or to have driven or operated immediately prior to such examination, longer than the maximum period permitted by either § 195.3 or § 195.4 as modified by § 195.12. No motor carrier shall permit or require a driver who has been notified and declared "Out of Service" to drive or operate, nor shall any such driver drive or operate, any motor vehicle unless and until such time as he has met the requirements of the specified sections.

Substitute a "semi-colon" for the "period" at the end of § 195.12 now in effect and add the following: "nor shall they be construed to prohibit a driver from continuing to drive or operate to the first place where facilities for safety of the driver and for safety of the vehicle and its occupants are available when failure to proceed, because of severe weather conditions, would imperil the safety of the driver or the safety of the vehicle and its occupants."

It is further ordered, That interested persons may on or before March 15, 1959, submit written statements containing data, views, or arguments, verified under oath by a person having knowledge of such data, views, or arguments, and that thereafter consideration will be given to the proposed deletions and additions, or some revision thereof, in the light of the statements which may be submitted.

It is further ordered, That one signed copy and 14 additional copies of such statements be furnished for the use of the Commission by mailing to the Secretary of the Interstate Commerce Commission, Washington, D. C. No oral hearing is contemplated, but any request for such hearing shall be supported by an explanation as to why the evidence to be presented cannot reasonably be submitted in the form heretofore provided. The Commission thereafter will determine whether or not assignment of the matter for oral hearing is necessary or desirable.

And it is further ordered, That notice of this proposed rule modification shall be given to motor carriers, other persons of interest, and to the general public by depositing a copy thereof in the office of the Secretary of the Interstate Commerce Commission, Washington, D. C., and by filing a copy with the Director, Federal Register Division.

By the Commission.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F. R. Doc. 58-10274; Filed, Dec. 11, 1958; 8:47 a. m.]

NOTICES

DEPARTMENT OF COMMERCE

Bureau of Foreign Commerce

[Case No. 251]

STAUFFER CHEMICAL CO. ET AL.

ORDER REVOKING EXPORT LICENSES, DENYING EXPORT PRIVILEGES, AND DENYING PRIVILEGES OF PRACTICE BEFORE BUREAU OF FOREIGN COMMERCE

In the matter of Stauffer Chemical Company, 380 Madison Avenue, New York, New York; John W. Cavanaugh, c/o Stauffer Chemical Company, 636 California Street, San Francisco, California; Milton W. Melander, 54 Delwood Circle, Bronxville, New York; S. Goldmann & Company, Walter A. Goldmann, Lessingstrasse 27, Bielefeld, West Germany; N. V. Transmare Handelmaatschappij, H. Aarsen, Meent 93, Rotterdam, Netherlands, respondents; Case No. 251.

The respondents, Stauffer Chemical Company, John W. Cavanaugh, Milton W. Melander, S. Goldmann & Company, Walter A. Goldmann, N. V. Transmare Handelmaatschappij, and H. Aarsen, having been charged by the Agent-in-Charge, Investigation Staff, Bureau of Foreign Commerce, United States Department of Commerce, with violations of the Export Control Act of 1949, as amended, and regulations promulgated thereunder; and

The said respondents having been duly served with the charging letter and having submitted their answers thereto;

This case was referred to the Compliance Commissioner, who held a hearing at which all the respondents except H. Aarsen and N. V. Transmare Handelmaatschappij were present and represented by counsel.

The Compliance Commissioner, having heard and considered all the evidence submitted in support of the charges and all the evidence and arguments submitted by the respondents in opposition thereto, has transmitted to the undersigned Director, Office of Export Supply, Bureau of Foreign Commerce, United States Department of Commerce, his written report, including findings of fact and findings that violations have occurred, and his recommendation that the respondents be denied export privileges and privileges of practice before the Bureau of Foreign Commerce in the manner and in accordance with the qualifications hereinafter set forth, together with which report he has transmitted the record.

After reviewing and considering the entire record of this case and the Compliance Commissioner's Report and Recommendation, I hereby make the following findings of fact:

1. At all times hereinafter mentioned, H. Aarsen and N. V. Transmare Handelmaatschappij, both hereinafter collectively referred to as Transmare, were and now are engaged in the sale of borax products in Rotterdam, the Netherlands.

2. At all times hereinafter mentioned, Walter A. Goldmann and S. Goldmann & Company, hereinafter collectively referred to as Goldmann, were and now are engaged in the business of importing and exporting borax products in Bielefeld, West Germany.

3. At all times hereinafter mentioned, Stauffer Chemical Company was and now is engaged in the mining, manufacturing, sale, distribution, and exportation of borax products, chemicals and allied commodities, with a principal office in the city of New York and a branch office in San Francisco, California. During said times, Milton W. Melander was its export manager and John W. Cavanaugh was Melander's assistant in charge of export activities in its San Francisco office. Whenever reference is hereinafter made to either Melander or Cavanaugh, such reference includes also Stauffer Chemical Company.

4. On May 24, 1957, the Bureau of Foreign Commerce issued an order directed against Transmare, and others, denying to it all privileges of participating directly or indirectly in any exportation from the United States. Said order was duly published in the FEDERAL REGISTER on May 29, 1957, 22 F. R. 3765. Although the denial provision thereof was for the duration of export controls, only the portion from May 24, 1957, to May 23, 1958, was immediately effective, and it was provided that thereafter Transmare's export privileges were to be restored to it upon condition of compliance with the order and all Export Control Regulations.

5. In and by the said order, it was provided, in part:

I. * * * the respondents and each of them hereby are denied all privilges of participating, directly or indirectly, in any manner or capacity, in an exportation of any commodity or technical data from the United States to any foreign destination, including Canada, whether such exportation has heretofore or hereafter been completed. Without limitation of the generality of the foregoing denial of export privileges, participation in an exportation is deemed to include and prohibit participation by any of the respondents, directly or indirectly, in any manner or capacity, (a) as a party or as a representative of a party to any validated export license application, (b) in the preparation or filing of any export license application or document, to be submitted therewith, (c) in the obtaining or using of any validated or general export license or other export control documents, (d) in the receiving, ordering, buying, selling, delivering, using, or disposing in any foreign country of any commodities in whole or in part exported or to be exported from the United States, and (e) in financing, forwarding, transporting, or other servicing of such exports from the United States.

* * * * *

V. No person, firm, corporation, or other business organization, whether in the United States or elsewhere, during any time when any respondent or related party is prohibited under the terms hereof from engaging in any activity within the scope of Part I hereof, shall, without prior disclosure to, and specific authorization from, the Bureau of Foreign Commerce, directly or indirectly, in any manner or capacity, (a) apply for, obtain, or use any export license, shipper's export declaration, bill of lading, or other export control document relating to any such prohibited activity, (b) order, receive, buy, sell, deliver, use, dispose of, finance, transport, forward, or otherwise service or participate in, any exportation from the United States, on behalf of or in any association with such respondent or related party, or (c) do any of the foregoing acts with respect to any exportation in which such respondent or related party may have any interest or obtain any benefit of any kind or nature, direct or indirect.

6. On or about the 27th day of May 1957, Transmare was informed orally of the issuance of said order and its general contents and, on or about the 6th day of June 1957, it was duly served with a copy thereof.

7. On or about May 29, 1957, being informed generally of the issuance of said denial order and having been able to negotiate a sale of two lots of boric acid to a firm in Amsterdam, The Netherlands, Transmare ordered the said boric acid from Goldmann.

8. Thereafter, on or about June 1, 1957, it informed Goldmann that its United States export privileges had been denied, referred to the order for boric acid (which all persons knew was to be exported from the United States) and suggested that, because of the denial order, its name not be shown on the papers.

9. Goldmann accepted the order, promised to pay Transmare a commission therefor, agreed that Transmare's name be not disclosed and suggested that the transaction be made to appear as a direct sale from Stauffer to the Amsterdam purchaser.

10. After the completion of various formalities, Goldmann sent to Stauffer's San Francisco office its order for the two lots of boric acid to be shipped to the Amsterdam firm. At the same time, it informed Stauffer that part of the commission would be paid by it to Transmare, as the firm which had obtained the order, but it cautioned Stauffer that Transmare's name under no circumstances was to appear on any of the documents pertaining to the order.

11. Either (a) with actual knowledge, because of the instruction not to place Transmare's name on any of the documents, that that firm was subject to an order denying all its privileges of participating directly or indirectly in exportations from the United States or (b) chargeable with such knowledge because of its failure to ascertain whether the instruction had been given because of a denial order against Transmare, and, (c) in any event, having constructive knowledge of the denial order because of its publication in the FEDERAL REGISTER, Stauffer, nevertheless, accepted said order, sold the boric acid in accordance with its terms, and exported the said boric acid from the United States to Transmare's customer.

12. At no time after receiving said order and prior to the completion of the exportation of the boric acid which was the subject thereof did Stauffer disclose to or inform the Bureau of Foreign Commerce that Transmare had an interest in said exportation nor did Stauffer ever obtain or receive from the Bureau of Foreign Commerce authorization to make said exportation under said circumstances. The exportation was accomplished after Stauffer had obtained an export license from the Bureau of Foreign Commerce and had caused to be executed the export declaration and bill of lading incident thereto.

13. On or about the 8th day of August 1957, Transmare informed Goldmann of the possibility of its negotiating a sale of 20 tons of boric acid to another purchaser, in Maastricht, Holland. After various negotiations and formalities, Transmare arranged with Goldmann that the sale (which all persons knew involved boric acid to be exported from the United States) be made in the name of Stauffer to its purchaser in Maastricht and, again, on August 14, 1957, it cautioned Goldmann that its name was not to appear on any of the United States export documents.

14. On or about August 14, 1957, Goldmann sent to Stauffer's San Francisco office an order for the 20 tons of boric acid and, in that order, named as the purchaser the Maastricht firm but did not, at that time, disclose to Stauffer that the order had been obtained by Transmare and that it was intended that Transmare be paid a commission by reason thereof.

15. However, on August 19, 1957, in a letter addressed to Melander, Goldmann specifically informed Melander that, because of Transmare's transshipment activities, no United States export licenses would be issued to it for 12 months and, for that reason, Transmare was now acting as its intermediary, but its name would not appear anywhere in the transactions.

16. Melander sent Cavanaugh a copy of this letter and requested that he ascertain whether Transmare had been denied export privileges.

17. On or about August 30, 1957, in a written memorandum to Melander, Cavanaugh verified that the denial order had been issued against Transmare by the Bureau of Foreign Commerce, and he counseled and advised Melander not to comply with a request which Goldmann had made that Stauffer pay the commissions directly to Transmare.

18. Having this knowledge of Transmare's interest in the second order and knowing that it was to be exported shortly from the United States by Stauffer, both Cavanaugh and Melander failed and omitted to notify (and thereby concealed from) the Bureau of Foreign Commerce of Transmare's interest in said order and failed to obtain its authorization for said exportation. Nevertheless, they caused or permitted the commodities to be exported from the United States.

19. In connection with both exportations, Goldmann, on several occasions, cautioned, advised, and urged Stauffer

and Melander to conceal from the Bureau of Foreign Commerce the fact that Transmare had an interest therein.

20. The interest which Transmare had in said exportations, known to Melander, Cavanaugh, and Goldmann, was Transmare's right to receive commissions by reason of its having obtained the customers or sold the commodities to them, as well as the general benefit which any dealer in commodities normally receives from the servicing of his customers and the retention of their goodwill. All the said parties well knew that Transmare was the dealer in Holland who had been responsible for and who hoped to continue to be responsible for the sale on behalf of Goldmann of Stauffer products in Holland. Goldmann was informed as well by Transmare of a particular importance which the sale to the second purchaser had for Transmare.

21. In about the middle of October 1957, after an exchange of correspondence between Melander and Goldmann in which the principal subject matter discussed was the Transmare commissions and the concealment thereof from the Bureau of Foreign Commerce, Melander, while in the city of Washington, D. C., was summoned to a meeting by a Special Agent of the Investigation Staff of the Bureau of Foreign Commerce whom Melander knew to be on the Investigation Staff and, during said meeting, Melander was questioned concerning rumors that Transmare had been receiving boron products from the United States even though a denial order was outstanding against it.

22. Although Transmare's commissions had been the subject of correspondence between him and Goldmann during the preceding month and being informed of the interest of the Investigation Staff in Transmare's activities involving exportations from the United States, Melander failed and omitted to disclose to the Special Agent of the Investigation Staff the facts of the sales which had been arranged by Transmare and the commissions to which Transmare had become entitled but, instead, led said Special Agent to believe that he had no knowledge of any activities by Transmare concerned with exportations from the United States.

23. To induce the Special Agent so to believe, Melander promised to write Goldmann and ask him whether he knew of any such Transmare activities and, further, for the purpose of having said Special Agent continue so to believe, Melander sent him a copy of a letter which he thereafter wrote to Goldmann. Said letter was so drawn as to make it appear to the uninformed reader thereof that Melander knew nothing of Transmare's interest in the exportations made by Stauffer and that he, as well as others, as a matter of course, knew or ought to know that any firm working with a firm which had been denied export privileges was equally subject to the denial order.

24. Goldmann, on receipt of said letter from Melander, promptly replied to him, reviewed the substance of the two exportations as they had actually occurred, and informed Melander that, because of the contents of the letter, he had canceled the arrangement with Transmare.

25. About one months prior to the time that Goldmann had canceled the arrangement with Transmare, Transmare had become dismayed by the lapse of time during which an appeal which it had taken from the denial order was pending and, for no other apparent inducing cause, voluntarily informed Goldmann that it would not want to receive any commissions on the two transactions until the appeal was definitely determined.

26. In complete disregard of the actual facts and contrary to the contents of the letter received by him from Goldmann, Melander thereafter, on or about the 12th day of November 1957, falsely stated to the Bureau of Foreign Commerce that Goldmann had sold Transmare two lots of boric acid from his Rotterdam stocks. Nowhere in that letter nor in any other communication prior to the investigation directly concerned with the Stauffer-Melander-Cavanaugh conduct herein did Melander or Cavanaugh inform the Bureau of Foreign Commerce of the fact that Transmare had negotiated and arranged the two sales of boric acid involved herein and had been entitled (even though it had not received them) to commissions in connection therewith.

And, from the foregoing, I have concluded

A. That the Goldmann respondents and Stauffer sold and caused commodities to be exported from the United States in violation of §§ 381.2 and 381.4 of the Export Regulations (15 CFR 381.2, 381.4);

B. That Cavanaugh, Melander, and Stauffer permitted commodities to be exported from the United States and permitted export control documents to be executed in connection therewith while concealing Transmare's interest in such exportation and that Melander and Stauffer, during the course of an investigation, concealed Transmare's participation in such exportations and gave false information to the Bureau of Foreign Commerce, in violation of § 381.5 of the Export Regulations (15 CFR 381.5);

C. That Cavanaugh and Stauffer delivered and the Goldmann respondents ordered and caused to be delivered commodities exported from the United States when they knew Transmare had an interest in and benefit therefrom, without disclosing such interest and benefit to and without obtaining authorization from the Bureau of Foreign Commerce, in violation of §§ 381.2 and 381.10 of the Export Regulations (15 CFR 381.2, 381.10);

D. That Transmare, while subject to the prohibitions of an export control denial order, ordered and caused to be delivered goods exported from the United States in violation of §§ 381.2 and 381.4 of the Export Regulations (15 CFR 381.2, 381.4);

E. That Melander, Cavanaugh, and Stauffer, knowing and being aware that they should have disclosed to the Bureau of Foreign Commerce Transmare's interest in and benefit from said exportations, agreed not to do so and did not do so, thereby becoming subject to § 384.2 (a) of the Export Regulations (15 CFR 384.2 (a));

F. That the Goldmann respondents counseled and advised the concealment from the Bureau of Foreign Commerce of Transmare's interest in and benefit from said exportations, thereby becoming subject to § 384.2 (a) of the Export Regulations (15 CFR 384.2 (a)).

In his report, the Compliance Commissioner said,

> The governing approach to the interpretation of both the Export Control Act and all the regulations promulgated thereunder should be practical and consistent with the objectives sought thereby. They must be given a liberal construction irrespective of the penal portion of the statute. * * *
>
> In the last analysis, in posing for construction any statute or regulation, a pertinent question to ask is: What did people affected or sought to be affected thereby understand to be its meaning? In this case, * * * all the respondents, in substance, put upon the regulations involved herein the construction sought by the Investigation Staff and by their conduct showed that they knew that what they were doing was wrong and that they sought to hide it. * * *
>
> Another major contention on the part of the respondents is the distinction between willful and intentional acts calculated to violate a statute or regulation and innocent acts committed or performed without such intent. * * * The mere fact that, at various places in the regulations, the word, "knowingly," is used, does not justify a conclusion that willful intent and bad motive are essential elements necessary for violation. * * *
>
> Sections 381.2, 381.4, 381.5, 381.10, and 384.2 (a) are the sections alleged by the charging letter to have been violated. Section 381.2 uses the word, "knowingly," but that word is used only in relation to conduct. Under this section, it need be determined only whether the person charged knew that he was performing or omitting to perform the act involved. Beyond that, willful intention to violate need not be demonstrated provided (a) that he had actual or constructive knowledge that he was required or was prohibited to perform the act or (b) that the particular activity in which he was engaged placed him in a position in which he should have known or should have ascertained the existence of the regulation. Section 381.4 does not use the word, "knowingly," but does use the word, "knowing." In this section the word, "knowing," again requires only conscious conduct as distinguished from unawareness and this conscious conduct is not such as is calculated to violate any particular order, rule, or regulation since the mere doing of the act with knowledge that with respect to any part of an exportation a regulation or order is about to be violated constitutes the offense. Section 381.5 (b) uses the word, "knowingly," only with respect to conduct but not with respect to intent. For example, making a statement which one knows to be false or a concealment by reason of failure to disclose when there is a duty to disclose is a violation under this section even though, in the making of the false statement or in the concealment, the party charged did not thereby have a willful intent to violate any law or regulation. Section 381.10 does not use the word, "knowingly," but makes certain conduct unlawful if that conduct is engaged in "with knowledge that another person is then subject to" a denial order. The knowledge required here is not knowledge in the sense that there be a willful intent to violate a law or regulation but

mere knowledge of the fact that there is an outstanding denial order. * * *

Still another consideration is the notice or knowledge which respondents should be deemed to have had as a matter of law. All the regulations were duly published in the FEDERAL REGISTER; the Aarsen-Transmare denial order also was published in the FEDERAL REGISTER * * *

* * * There is justification * * * for holding that publication in the FEDERAL REGISTER is * * * notice to the world. 44 U. S. C. A., Sec. 307, provides " * * * unless otherwise specifically provided by statute, such filing [with the FEDERAL REGISTER] of any document, required or authorized to be published under section 305 of this title, shall, except in cases where notice by publication is insufficient in law, be sufficient to give notice of the contents of such document to any person subject thereto or affected thereby." * * * There is another section, 44 U. S. C. A., Sec. 308, which provides for notice of hearing. This section says that, when published in the FEDERAL REGISTER, " * * * the notice shall be deemed to have been duly given to all persons residing within the continental United States (not including Alaska), except in cases where notice by publication is insufficient in law, * * * " This specific provision that notice of hearing is notice to persons within the continental United States, laid alongside the words in the former section, "to any person subject thereto or affected thereby," requires a ruling that the former section, that is, the section providing for notice of regulations, is not restricted to persons residing within the continental United States. * * *

The words, "subject thereto or affected thereby," [in the Federal Register Act] are particularly appropriate to this case. Anyone engaged in the export business, whether such person is engaged in that business in the United States or is engaged outside the United States in receiving goods exported from the United States, is subject to or affected by all export control regulations. * * *

The remedial action which I am about to recommend in this case is extremely moderate. Its leniency is supportable because of Stauffer's generally fine reputation, its past and indicated future cooperation with the Bureau of Foreign Commerce, the vastness of its export business, the measures it has taken to avert future violations, the relatively small value of the exportations involved, the delivery of the goods to the rightful consignees for the uses approved, and the personal factors presented on behalf of the individuals involved. The action is moderate and lenient in contrast to the nature of the violations which go to the heart and integrity of the entire enforcement program. Pages could be written about the sanctity of denial orders and that such orders should not be flouted. It seems to me, however, that this is so obvious that it is unnecessary to write any more about it. The same is true also about the duty of persons upon whom the Bureau of Foreign Commerce relies to make full disclosure of facts about which they are interrogated. Persons just should not hide facts from investigators and they should not misstate the facts to them.

The Bureau of Foreign Commerce exerts much effort and spends large sums of money to publicize denial orders. They are published in full in the FEDERAL REGISTER; they are reported in press releases and in the Foreign Commerce Weekly; they are reported and listed in supplements to the Comprehensive Export Schedule; and from time to time details are republished and collated in the Comprehensive Export Schedule. The Bureau has arranged also for such information to be available in field offices across the nation and in embassies and consulates throughout the world. All this is not mere operational calisthenics. The purpose is to make it easy for all persons to know the names of people and firms who are ineligible, because of past conduct, to participate in exportations from the United States. After all this, it is not asking too much that exporters in this country and importers abroad refer to the available information or sources before engaging in exportations from the United States to any persons. Furthermore, corporations, which can act only by individuals, cannot be heard to say that they have delegated these important responsibilities to carefully chosen administrators. Their duty does not stop there. They must take affirmative steps by direction from the top all the way down to make sure that there is no relaxation of vigilance at any level in the corporate structure.

This case is not limited to omission and neglect. On the contrary, the parties hereto had knowledge that Transmare had been denied export privileges or they had information which should have alerted them to the probability that this was so. Nevertheless, they engaged in the exportations and, in effect, flouted the order. Some did not stop here. Having engaged in the prohibited exportations, they took measures to hide the facts which would have disclosed their improper participation. Melander went even further. Aware that the BFC Investigation Staff was investigating whether Transmare was receiving American borax while subject to a denial order, he not only concealed from the investigator who questioned him the facts of Transmare's participation in the exportations but, in addition, he gave the investigator a false report of what actually had transpired.

It is my recommendation that, subject to the qualifications below, all respondents, except Melander and Transmare, be denied all export privileges for six months; that Melander be denied all export privileges for twelve months and that Transmare, who is presently on probation, be severely censured with an admonition that another violation may result in a complete revocation of all export privileges so long as export controls are in effect. The denial as to Stauffer shall not become effective unless it is found to have violated within six months. To impose an actual denial at this time, if the denial were meaningful and not merely token, would be so costly to Stauffer as to result in extreme punitive as opposed to just, remedial action. The denials as to Goldmann, Melander, and Cavanaugh shall be effective forthwith and shall so continue for one month as to Goldmann, for two months as to Cavanaugh, and for five months as to Melander, with the portions remaining in each case to be withheld upon terms similar to those for Stauffer. The exceptional disposition recommended for Transmare is because I am convinced that he had no intention to defy the order. He made prompt disclosure to Goldmann, leaving it up to Goldmann to decide or ascertain whether the proposed arrangement was proper and, after he gave up hope that favorable action would be taken on his appeal, he voluntarily offered to forego the commissions involved. I am recommending a one month effective period for Goldmann because, while he did engage in the prohibited conduct and consistently counseled concealment, he is a nonresident alien and made disclosure to Melander and Stauffer in time to put them in a position to prevent any violation. I am recommending a two months effective period for Cavanaugh because, not only did he not take any steps to avert or prevent an indicated violation, but he demonstrated by his communications to Melander that he regarded as more important the hiding of facts which might disclose a violation than the prevention or avoidance of acts which could be a violation. I am recommending a five months effective period for Melander because, not only did he engage in the concealment but, in addition, as trusted as he was by the Bureau of Foreign Commerce, he sought to mislead and hamper an investigation and he deliberately falsified the information he gave during the investigation. These remedial actions are necessary to achieve effective enforcement of the law because it is only by making such conduct as was engaged in here unprofitable that effective enforcement will be attained. No action recommended herein is the result of cumulation as approved in Gore v. United States, 357 U. S. 386, or as distinguished in United States v. Morgan, 8 U. S. C. M. A. 341, 24 C. M. R. 151.

Now, after careful consideration of the entire record and being of the opinion that the recommendations of the Compliance Commissioner are fair and just and that this order is necessary to achieve effective enforcement of the law: *It is hereby ordered:*

I. All outstanding validated export licenses in which S. Goldmann & Company and Walter A. Goldmann appear or participate as purchaser, intermediate or ultimate consignee, or otherwise, are hereby revoked and shall be returned forthwith to the Bureau of Foreign Commerce for cancellation.

II. Except as qualified in Part IV, Subdivision (A), (B), and (C) thereof, the respondents Stauffer Chemical Company, John W. Cavanaugh, S. Goldmann & Company, and Walter A. Goldmann for a period of six months from the date hereof and the respondent Milton W. Melander for a period of one year from the date hereof hereby are excluded from practice before the Bureau of Foreign Commerce and are denied all privileges of participating, directly or indirectly, in any manner or capacity, in an exportation of any commodity or technical data from the United States to any foreign destination, including Canada, whether such exportation has heretofore or hereafter been completed. Without limitation of the generality of the foregoing denials of export privileges, participation in an exportation is deemed to include and prohibit participation by any such respondent, directly or indirectly, in any manner or capacity, (a) as a party or as a representative of a part to any validated export license application, (b) in the preparation or filing of any export license application or document to be submited therewith, (c) in the obtaining or using of any validated or general export license or other export control document, (d) in the receiving, ordering, buying, selling, delivering, using, or disposing in any foreign country of any commodities in whole or in part exported or to be exported from the United States, and (e) in financing, forwarding, transporting, or other servicing of such exports from the United States.

III. Such denials of export privileges, to the extent that any respondent may be affected thereby, shall extend not only to each of them, but also to any person, firm, corporation, or business organization with which any of them may be now or hereafter related by ownership, control, position of responsibility, or other connection in the conduct of trade in which may be involved exports from the United States or services connected therewith.

IV (A). Without further order of the Bureau of Foreign Commerce, S. Goldmann & Company and Walter A. Goldmann, one month after the date hereof, and John W. Cavanaugh, two months after the date hereof, shall have their export privileges and privileges of practice before the Bureau of Foreign Commerce restored to them conditionally, the condition for such restoration being that during the respective periods of one month and two months following the date hereof, the said respondents shall comply in all respects with this order, and thereafter, until six months from the date hereof, they shall comply with all requirements of the Export Control Act of 1949, as amended, and all regulations, licenses, and orders issued thereunder.

(B). Without further order of the Bureau of Foreign Commerce, Milton W. Melander shall have his export privileges and privileges of practice before the Bureau of Foreign Commerce restored to him conditionally, five months following the date hereof, the condition for such restoration being that during the five months following the date hereof, the said respondent shall comply in all respects with this order, and thereafter, until twelve months from the date hereof, he shall comply with all requirements of the Export Control Act of 1949, as amended, and all regulations, licenses, and orders issued thereunder.

(C). Anything in Part II hereof to the contrary notwithstanding, the effectiveness thereof against Stauffer Chemical Company shall be stayed or suspended, and it shall not be operative as to it upon the condition that, for six months following the date hereof, said respondent and parties related to it shall not knowingly violate any export control law or regulation.

V. The privileges so conditionally permitted to the respondents, under Parts IV (A), IV (B), and IV (C) hereof, may be revoked summarily and without notice upon a finding by the Director of the Office of Export Supply, or such other official as may at that time be exercising the duties now exercised by him, that any such respondent has knowingly failed to comply with the conditions applicable to him or it as set forth in Parts IV (A), IV (B), and IV (C) hereof, in which event Part II hereof, insofar as it shall apply to such respondent, shall then be and become effective (a) as to S. Goldmann & Company and Walter A. Goldmann for an additional five months thereafter or until six months from the date hereof, whichever shall be the later, and (b) as to John W. Cavanaugh for an additional four months thereafter or until six months from the date hereof, whichever shall be the later, and (c) as to Milton W. Melander for an additional seven months thereafter or until twelve months from the date hereof, whichever shall be the later, and (d) as to Stauffer Chemical Company for six months thereafter; without thereby precluding the Bureau of Foreign Commerce from taking such other and further action based on such violation or violations as it shall deem warranted. In the event that such supplemental order is issued, such respondents and related parties as are involved therein shall have the right to appeal therefrom, as provided in the Export Regulations.

VI. During any time when a respondent or any related party is prohibited from engaging in any activity within the scope of Part II hereof, no person, firm, corporation, or other business organization, whether in the United States or elsewhere, on behalf of or in any association with any such respondent or related party, without prior disclosure to, and specific authorization from the Bureau of Foreign Commerce, shall directly or indirectly, in any manner or capacity, (a) apply for, obtain, or use any export license, shipper's export declaration, bill of lading, or other export control document relating to any such prohibited activity, or (b) order, receive, buy, sell, deliver, use, dispose of, finance, transport, forward, or otherwise service or participate in any exportation from the United States. Nor shall any person, firm, corporation, or other business organization do any of the foregoing acts with respect to any exportation in which such respondent or related party may have any interest or obtain any benefit of any kind or nature, direct or indirect.

VII. The respondents H. Aarsen and N. V. Transmare Handelmaatschappij are hereby severely censured for their conduct as found above, and they are hereby admonished that, if at any time during the time when export controls are in effect, either of them shall fail to comply in all respects with all requirements of the Export Control Act of 1949, as amended, and all regulations, licenses, and orders issued thereunder, all their export privileges will be revoked as provided in Part IV of the order of May 24, 1957 (22 F. R. 3765).

Dated: December 9, 1958.

JOHN C. BORTON,
Director,
Office of Export Supply.

[F. R. Doc. 58-10265; Filed, Dec. 11, 1958; 8:45 a. m.]

[Case No. 252]

ALEJANDRO LOZANO RAMIREZ AND JESUS CANALES

ORDER DENYING EXPORT PRIVILEGES

In the matter of Alejandro Lozano Ramirez, Washington 1142 Ote., Monterrey, N. L., Mexico; Jesus Canales, Isabel Avenue, Nuevo Laredo, Tamps., Mexico, respondents; Case No. 252.

The respondents, Alejandro Lozano Ramirez and Jesus Canales, having been charged by the Investigation Staff, Bureau of Foreign Commerce, Department of Commerce, with violations of the Export Control Act of 1949, as amended, and regulations promulgated thereunder, which charges involved the alleged exportation to Mexico of certain wire cable without first obtaining the required validated export license and without first having authenticated a shipper's export declaration in connection therewith; and

The said respondents having been duly served with the charging letter; and

Jesus Canales alone having appeared herein by service of answer without demand for oral hearing, this case was referred to the Compliance Commissioner, who held an informal hearing at which Canales' answer was considered and proof in support of the charges was received.

The Compliance Commissioner, having heard and considered the evidence submitted in support of the charges and the answer submitted by Jesus Canales in opposition thereto, and having held Alejandro Lozano Ramirez in default for failure to answer, has transmitted to the undersigned Director, Office of Export Supply, Bureau of Foreign Commerce, U. S. Department of Commerce, his written report, including findings of fact and findings that violations have occurred, and his recommendation that remedial action, as hereinafter provided, be taken against the respondents, together with which report there have been transmitted also the transcript of hearing, all exhibits submitted thereat, the charging letter, and Canales' answer.

After reviewing and considering the entire record of this case and the Compliance Commissioner's Report and Recommendation, I hereby make the following findings of fact:

1. At all times hereinafter mentioned, Alejandro Lozano Ramirez was engaged in the electrical supply business in Monterrey, N. L., Mexico. In connection with that business, from time to time he imported electrical goods into Mexico from the United States.

2. On or about the 9th day of August 1956, Lozano purchased from a dealer in the United States 6,000 feet of #0-259 Std. MMD cable, Type W, 600 volts, for $2,100.

3. Said cable was delivered for his account at Laredo, Texas, in one shipment of 2,000 feet and a second of 4,000 feet.

4. In due course Lozano paid the purchase price therefor and, with respect to 4,000 feet thereof, instructed his vendor to issue and deliver to him three invoices, each in an amount less than $500.

5. Lozano's purpose in requesting such invoices was to avert application for a validated export license which, under the regulations of the Bureau of Foreign Commerce, was a prerequisite for exportation of cable such as that involved herein when the value thereof exceeded $500.

6. Prior to or at the time of receiving delivery, Lozano made arrangements with one Jesus Canales for Canales, on his behalf, to transport the cable from Laredo, Texas, to Mexico.

7. Canales was the owner of or controlled a motor vehicle which had constructed therein two hidden wells for the carriage of merchandise.

8. Canales provided his brother-in-law with said automobile and engaged him to carry and transport to Mexico the cable so purchased by Lozano. (The brother-in-law is not charged in this proceeding, but he has been convicted in the United States District Court for the Southern District of Texas for the crime involved herein.)

9. At the time when Canales so engaged his brother-in-law, he demon-

strated to the latter the manner in which the hidden wells in the automobile could be utilized and he put him into possession of the cable to be transported.

10. Thereafter and in accordance with instructions received from Canales, Canales' brother-in-law transported into Mexico at least $700 worth of the cable and, while he was attempting another such exportation, he was apprehended by United States Customs agents, who then detected and seized another $140 worth of cable being carrier at that time.

11. Prior to the apprehension, Canales had made a delivery to Lozano of some of the cable so transported into Mexico.

12. Neither Lozano nor Canales at any time applied for or obtained from the Bureau of Foreign Commerce the validated export license prescribed as a condition for exporting the electric cable involved herein in quantities valued at $500 or more nor did either of them at any time cause to be executed, filed, and authenticated any shipper's export declaration, which was a prerequisite to and a necessary requirement for exporting the cable from the United States to Mexico. No validated export license was ever issued and no export declaration was ever filed and authenticated for the exportations involved herein.

And, from the foregoing, the following are my conclusions:

The respondents Alejandro Lozano Ramirez and Jesus Canales (a) knowingly caused to be exported commodities from the United States without having filed a shipper's export declaration with the Collector of Customs or Postmaster and without authorization of an export license issued or established by the Bureau of Foreign Commerce, thereby violating §§ 370.2 and 371.2 of the Export Regulations; (b) received, concealed, stored, transported, and caused commodities to be exported from the United States knowing that with respect thereto violations of the Export Control Law had occurred and were intended to occur, thereby violating § 381.4 of the Export Regulations; and (c) knowingly acted in concert for the purpose of and with the intention of violating the Export Control Law and regulations promulgated thereunder, contrary to § 381.3 of the Export Regulations.

In his report, the Compliance Commissioner said:

> After my examination of the evidence in this case, it is my opinion that Lozano's conduct was occasioned by his unwillingness to comply with regulatory procedures which were easily available to him and which would have enabled him without difficulty to obtain the goods involved herein. The intended destination was Mexico and the commodity was surplus cable. Canales, on the other hand, appears to have been engaged in an established smuggling business. In this case, the cable was found in and seized from secret wells installed in his automobile. It does not appear to me to be too farfetched to assume that such secret wells had not been constructed for the single objective involved in this case and that the automobile had been employed regularly by Canales in other smuggling operations. It is therefore my recommendation that Lozano be denied export privileges for six months and that Canales be denied export privileges so long as export controls are in effect.

Now, after careful consideration of the entire record and being of the opinion that the recommendations of the Compliance Commissioner are fair and just and that this order is necessary to achieve effective enforcement of the law: *It is hereby ordered:*

I. So long as export controls shall be in effect the respondent Jesus Canales, and for six months following the date hereof the respondent Alejandro Lozano Ramirez, hereby are denied all privileges of participating, directly or indirectly, in any manner or capacity, in an exportation of any commodity or technical data from the United States to any foreign destination, including Canada, whether such exportation has heretofore or hereafter been completed. Without limitation of the generality of the foregoing denial of export privileges, participation in an exportation is deemed to include and prohibit participation by either of the respondents during the respective periods so assigned for them, directly or indirectly, in any manner or capacity, (a) as a party or as a representative of a party to any validated export license application, (b) in the preparation or filing of any export license application or document to be submitted therewith, (c) in the obtaining or using of any validated or general export license or other export control document, (d) in the receiving, ordering, buying, selling, delivering, using, or disposing in any foreign country of any commodities in whole or in part exported or to be exported from the United States, and (e) in financing, forwarding, transporting, or other servicing of such exports from the United States.

II. Such denial shall extend not only to each of the respondents during such assigned periods, but also to any person, firm, corporation, or business organization with which either of them may be now or hereafter related by ownership, control, position of responsibility, or other connection in the conduct of trade in which may be involved exports from the United States or services connected therewith.

III. No person, firm, corporation, or other business organization, whether in the United States or elsewhere, during any time when either respondent or any related party is prohibited under the terms hereof from engaging in any activity within the scope of Part I hereof, shall, without prior disclosure to and specific authorization from the Bureau of Foreign Commerce, directly or indirectly, in any manner or capacity, (a) apply for, obtain, or use any export license, shipper's export declaration, bill of lading, or other export control document relating to any such prohibited activity, or (b) order, receive, buy, sell, deliver, use, dispose of, finance, transport, forward, or otherwise service or participate in any exportation from the United States, on behalf of or in any association with such respondent or related party. Nor shall any person do any of the foregoing acts with respect to any exportation in which such respondent or related party may have any interest or obtain any benefit of any kind or nature, direct or indirect.

Dated: December 4, 1958.

JOHN C. BORTON,
Director,
Office of Export Supply.

[F. R. Doc. 58-10290; Filed, Dec. 11, 1958; 8:50 a. m.]

DEPARTMENT OF THE TREASURY

Bureau of Customs

[AA 643.3]

RAYON STAPLE FIBER FROM CUBA

REVOCATION OF NOTICE OF WITHHELD APPRAISEMENT

DECEMBER 8, 1958.

Reference is made to the notice published in the FEDERAL REGISTER for Wednesday, November 11, 1958 (23 F. R. 8769), relating to rayon staple fiber imported from Cuba.

Information now available indicates that the proper comparison for the purpose of the Antidumping Act of 1921, as amended (19 U. S. C. 160 et. seq.), is between purchase price and foreign market value, as defined by sections 203 and 205 of the Antidumping Act of 1921, as amended (19 U. S. C. 162 and 164), and not between purchase price and constructed value as stated in the cited notice.

There is no present reason to believe or suspect that the purchase price is less or likely to be less than the foreign market value of rayon staple fiber from Cuba. Accordingly, the notice referred to above is hereby revoked.

Customs officers are being instructed to discontinue withholding of appraisement of entries of rayon staple fiber from Cuba.

The matter of whether Cuban rayon staple fiber is being, or is likely to be, sold to the United States at less than fair value remains under consideration.

[SEAL] RALPH KELLY,
Commissioner of Customs.

[F. R. Doc. 58-10281; Filed, Dec. 11, 1958; 8:48 a. m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

NATIONAL DEFENSE FELLOWSHIP PROGRAM

APPLICATION DATE FOR INSTITUTIONS OF HIGHER EDUCATION

Under title IV of the National Defense Education Act of 1958 (Pub. Law 85-864; 72 Stat. 1590), the Commissioner of Education is authorized to award during the fiscal year ending June 30, 1959, one thousand fellowships for study in approved graduate programs of institutions of higher education. The Commissioner is also authorized to pay a portion of the cost of each approved new or expanded graduate program. During the fiscal year ending June 30, 1959, graduate programs can be approved only to the extent necessary to accommodate

the number of individuals who, during such fiscal year, will be awarded fellowships for study to commence in the first part of the academic year 1959–60.

In view of the need for timely approval of the graduate programs to commence in the first part of the academic year 1959–60, notice is hereby given that the Commissioner of Education, in considering applications from institutions of higher education for such approval, will give priority to applications addressed for delivery to:

Division of Higher Education, Office of Education, Department of Health, Education, and Welfare, Washington 25, D. C.

and postmarked by midnight, December 31, 1958, or otherwise delivered to such address by 5:30 p. m., December 31, 1958. Applications submitted after that date will be considered for approval during the current fiscal year only to the extent that those submitted by the date indicated above fail to produce a sufficient number of approvable programs.

After the approval of new or expanded graduate programs, a public announcement will be made in order that individuals interested in fellowships under title IV may seek acceptance for study in the graduate program of a particular institution.

Institutions of higher education may secure forms and instructions for making application for the approval of a new or expanded graduate program under title IV by writing to the above address.

Dated: December 2, 1958.

[SEAL] L. G. DERTHICK,
Commissioner of Education.

Approved: December 8, 1958.

ARTHUR S. FLEMMING,
Secretary.

[F. R. Doc. 58-10266; Filed, Dec. 11, 1958; 8:45 a. m.]

DEPARTMENT OF THE INTERIOR

National Park Service

[Independence National Historical Park Order 1]

ADMINISTRATIVE ASSISTANT

DELEGATION OF AUTHORITY WITH RESPECT TO CERTAIN CONTRACTS

NOVEMBER 10, 1958.

SECTION 1. *Administrative Assistant.* The Administrative Assistant may execute and approve contracts not in excess of $25,000 for construction, supplies, equipment, or services in conformity with applicable regulations and statutory authority and subject to availability of appropriations.

(National Park Service Order No. 14 (19 F. R. 8824); 39 Stat. 535; 16 U. S. C. 1952 ed., sec. 2, as amended; Region Five Order 3 (22 F. R. 186)

Issued this 10th day of November 1958.

M. O. ANDERSON,
Superintendent,
Independence National Historical Park.

[F. R. Doc. 58-10267; Filed, Dec. 11, 1958; 8:45 a. m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-112]

UNIVERSITY OF OKLAHOMA

NOTICE OF PROPOSED ISSUANCE OF FACILITY LICENSE

Please take notice that the Atomic Energy Commission proposes to issue a facility license to University of Oklahoma, Norman, Oklahoma, substantially as set forth below unless within fifteen days after the filing of this notice with the Federal Register Division a request for a formal hearing is filed with the Commission as provided by the Commission's rules of practice (10 CFR Part 2). The proposed license would authorize the University of Oklahoma to acquire and operate the nuclear reactor designated Model AGN-211, Serial No. 102, at power levels not in excess of fifteen watts on its campus in Norman, Oklahoma. For further details see (1) the application submitted by the University of Oklahoma and the amendment thereto and (2) a memorandum by the Division of Licensing and Regulation which summarizes the principal factors considered in reviewing the application for license, both on file at the Commission's Public Document Room, 1717 H Street NW., Washington, D. C. A copy of item (2) above may be obtained at the Commission's Public Document Room or upon request addressed to the Atomic Energy Commission, Washington 25, D. C., Attention: Director, Division of Licensing and Regulation.

Dated at Germantown, Md., this 5th day of December 1958.

For the Atomic Energy Commission.

H. L. PRICE,
Director,
Division of Licensing and Regulation.

PROPOSED UTILIZATION FACILITY LICENSE

1. The University of Oklahoma, Norman, Oklahoma, filed an application dated July 16, 1958, and an amendment thereto dated October 23, 1958 (hereinafter together referred to as "the application"), to acquire, possess, and operate on its campus at Norman, Oklahoma, a utilization facility designated as Model AGN-211, Serial No. 102 (hereinafter referred to as "the reactor"), which was authorized for construction by Construction Permit CPRR-27, dated August 6, 1958, issued to Aerojet-General Nucleonics, San Ramon, California. The applicant also seeks authorization to receive and possess special nuclear material in connection with the operation of the reactor.

2. Pursuant to the Atomic Energy Act of 1954, as amended (hereinafter referred to as "the act"), and having considered the record in this matter, the Atomic Energy Commission (hereinafter referred to as "the Commission") finds that:

A. The reactor has been constructed in conformity with Construction Permit CPRR-27 and will operate in conformity with the application and in conformity with the act and the rules and regulations of the Commission.

B. There is reasonable assurance that the reactor can be operated at the designated location without endangering the health and safety of the public.

C. The University of Oklahoma is technically and financially qualified to operate the reactor and to assume financial responsibility for payment of Commission charges for special nuclear material and to undertake and carry out the proposed use of such material for a reasonable period of time.

D. The acquisition, possession and operation of the reactor and the receipt, possession and use of the special nuclear material in the manner proposed in the application will not be inimical to the common defense and security or to the health and safety of the public.

E. The license is for the conduct of educational activities by a nonprofit educational institution and the University of Oklahoma is therefore exempt from the financial protection requirement of subsection 170a of the act.

3. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses the University of Oklahoma:

A. Pursuant to section 104c of the act and Title 10, CFR, Chapter I, Part 50, "Licensing of Production and Utilization Facilities", to acquire, possess and operate the reactor at the designated location in Norman, Oklahoma, in accordance with the procedures described in the application.

B. Pursuant to the act and Title 10, CFR, Chapter I, Part 70, "Special Nuclear Material", to possess and use up to 900 grams of contained uranium 235 in connection with operation of the reactor.

C. Pursuant to the act and Title 10, CFR, Chapter I, Part 30, "Licensing of Byproduct Material", to possess, but not to separate from the fuel or target material, such byproduct material as may be produced from operation of the reactor.

4. This license shall be deemed to contain and be subject to the conditions specified in § 50.54 of Part 50 and § 70.32 of Part 70 and is subject to all applicable provisions of the act and rules, regulations and orders of the Commission now or hereafter in effect, and to the additional conditions specified below:

A. The University of Oklahoma shall not operate the reactor at power levels in excess of fifteen watts without previous authorization from the Commission.

B. The reactor shall be operated only under the direct supervision of the Chief Reactor Supervisor or one of his designated alternates, each of whom shall have been approved by the Commission.

C. A maximum of 0.2 percent excess reactivity may be loaded in the reactor with the experimental facilities empty and a maximum of 0.4 percent excess reactivity may be loaded in the reactor with moderator or fuel in the experimental facilities.

D. The scram settings on the reactor shall be set so that the power level at which the scram is to occur shall not exceed 130 percent of the maximum power level authorized by this license and the period at which the scram is to occur shall not be less than 5 seconds.

E. The scram settings shall not be changed without the knowledge and consent of the Chief Reactor Supervisor or his designated alternate.

F. The reactor shall not be operated with any instrumentation which permits by-passing of any of the scram signals.

G. In addition to those otherwise required under this license and applicable regulations the University of Oklahoma shall keep the following records:

(1) Reactor operating records, including power levels.

(2) Records of in-pile irradiations.

(3) Records showing radioactivity released or discharged into the air or water beyond the effective control of the University of Oklahoma as measured at the point of such release or discharge.

(4) Records of emergency reactor scrams, including reasons for emergency shutdowns.

H. The University of Oklahoma shall immediately report to the Commission in writing any indication or occurrence of a pos-

sible unsafe condition relating to the operation of the reactor.

5. This license is effective as of the date of issuance and shall expire twenty years therefrom.

Date of issuance:

For the Atomic Energy Commission.

———— ————,
Director,
Division of Licensing and Regulation.

[F. R. Doc. 58-10285; Filed, Dec. 11, 1958; 8:49 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-6622 etc.]

CROW DRILLING CO., INC., ET AL.

ORDER REOPENING PROCEEDINGS, CONSOLIDATING PROCEEDINGS, AND FIXING DATE OF HEARING

DECEMBER 3, 1958.

In the matters of Crow Drilling Company, Inc., Docket Nos. G-6622, G-8510; Gulf Oil Corporation,[1] Docket No. G-8516; Gulf Oil Corporation (Operator et al.), Docket No. G-15008.

Upon appeals by Crow Drilling Company, Inc. (Crow Drilling) and Gulf Oil Corporation, Docket No. G-8516 (Gulf), independent producers of natural gas within the purview of the Commission's regulations, the United States Court of Appeals for the Fifth Circuit on April 3, 1958, granted petitions to review an order of the Commission to the extent that the Commission was directed to reopen the proceedings in Docket Nos. G-6622, G-8510 and G-8516 to afford petitioners a "reasonable opportunity to adduce such evidence as they may be advised is relevant to the inquiry whether the proposed rate of 20 cents per Mcf is just and reasonable." In all other respects the petitions were denied. Gulf Oil Corporation et al. v. F. P. C., 255 F. 2d 556, 557.

Petitioners who make sales of natural gas from their acreage in the Pistol Ridge Field, in Forrest, Lamar, and Pearl River Counties, Mississippi, to United Gas Pipe Line Company (United) under two basic sales contracts, sought review of an order of the Commission issued February 6, 1957 (17 FPC 238)[2] affirming the initial decision of the presiding examiner granting a motion to dismiss increased rate proposals filed by petitioners as a result of provisions in their basic sales contracts. Petitioners had proposed an increase from 15 cents to 20 cents per Mcf for natural gas sold to United from the Pistol Ridge Field. The Commission dismissed the proposed increased rates and affirmed the examiner on the ground that (17 FPC 238, 240): "On this record it is not possible to strike a fair balance between investor and consumer interests. We cannot be sure that the rates are sufficient to promote exploration for and development of gas supplies and, at the same time to provide the protection to the ultimate consumer contemplated by the act," citing Union Oil Co. et al. (16 FPC 100). Further, we said that to determine that the increased rate is needed, it is essential that conventional rate-base method of rate-making be used at least as a basis of comparison or point of departure, citing City of Detroit v. F. P. C., 230 F. 2d 810 (CADC), certiorari denied, 352 U. S. 829. We concluded that the record before us did not contain the evidence found essential by the Court.

The rationale for the decision of the Fifth Circuit is found in its decision in Bel Oil Corp. et al. v. F. P. C., 255 F. 2d 548, also entered on April 23, 1958, reviewing 16 FPC 100, and in which certiorari was denied on October 13, 1958. The Court held (at p. 553) that evidence of unregulated prices in the field is not sufficient to warrant a finding by the Commission that a price comparable to them is just and reasonable within the intendment of the Natural Gas Act. Although not deciding that the rate-base method is essential in every case, the Court agreed with the Commission that we did not have sufficient evidence before us to approve the there involved 16 cent rate plus one cent state tax as just and reasonable. The Court concluded however, that the proceedings should be reopened to permit petitioners further opportunity to introduce "such evidence as they may be advised is relevant to the inquiry" of whether the proposed rate is just and reasonable.

Upon consideration of the foregoing, we deem it necesary to reopen the proceedings in Docket Nos. G-6622, G-8510, and G-8516 for the specific purpose of providing Crow Drilling and Gulf (Docket No. G-8516) the opportunity described in the Court's opinion.

Following our dismissal order of February 6, 1957, Gulf filed on April 2, 1958, a change in rate which is the same as that previously filed by Gulf and disallowed by the above-cited dismissal order. By order issued May 2, 1958, we entered upon a hearing concerning the lawfulness of the change of rate tendered for filing on April 2, 1958. In addition, we suspended the operation of this rate and deferred its use until October 3, 1958, in Docket No. G-15008. Accordingly, it is appropriate and in the public interest that we consolidate the related proceedings in Docket No. G-15008 with the proceedings heretofore consolidated in Docket No. G-6622 for the purpose of hearing and decision.

The Commission orders:

(A) The proceedings in Docket Nos. G-6622, G-8510 and G-8516 are reopened for the specific purpose hereinbefore specified; and the proceedings are hereby remanded to the Presiding Examiner for such further hearing.

(B) The proceedings in Docket No. G-15008 are hereby consolidated with the proceedings heretofore consolidated with the proceedings in Docket No. G-6622 for the purpose of hearing and decision.

(C) A hearing be held in the above-mentioned proceedings commencing on January 19, 1959, at 10:00 a. m., e. s. t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D. C., for the purposes hereinbefore stated.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F. R. Doc. 58-10269; Filed, Dec. 11, 1958; 8:46 a. m.]

[1] Formerly Gulf Refining Company.

[2] The initial decision of the presiding examiner was issued October 19, 1956 (17 FPC 226-238).

GENERAL SERVICES ADMINISTRATION

AGAR HELD IN NATIONAL STOCKPILE

PROPOSED DISPOSITION

Pursuant to the provisions of section 3 (e) of the Strategic and Critical Materials Stock Piling Act, 53 Stat. 811, as amended, 50 U. S. C. 98b (e), notice is hereby given of a proposed disposition of approximately 198,173 pounds of agar now held in the national stockpile.

The Office of Civil and Defense Mobilization has made a revised determination, pursuant to section 2 (a) of the Strategic and Critical Materials Stock Piling Act, that there is no longer any need for stockpiling said agar. The revised determination was by reason of obsolescence of the stockpiled agar for use in time of war and was based upon the finding of the Office of Civil and Defense Mobilization that new and better forms of agar, within the meaning of section 3 (e) (2) of the act, have been developed for the same uses for which the agar was stockpiled, and further that domestic capacity for the production of such new and improved forms of agar is adequate to meet estimated mobilization requirements.

GSA proposes to sell said agar by competitive bidding. It is proposed that sales will be spaced at intervals of at least six months and that not more than 42 short tons will be offered for sale at any one time.

It is believed that this plan of disposition will protect the United States against avoidable loss on the sale of the agar and will also protect producers, processors and consumers against avoidable disruption of their usual markets.

It is proposed to make the agar covered by this notice available for sale beginning six months after the date of publication of this notice in the FEDERAL REGISTER.

Dated: December 5, 1958.

FRANKLIN FLOETE,
Administrator of General Services.

[F. R. Doc. 58-10270; Filed, Dec. 11, 1958; 8:46 a. m.]

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

NASA INVENTIONS AND CONTRIBUTIONS BOARD

ESTABLISHMENT

Pursuant to the National Aeronautics and Space Act of 1958 (72 Stat. 426, Public Law 85-568, approved July 29, 1958) I have, this date, established the NASA Inventions and Contributions Board within the National Aeronautics and Space Administration.

The Board's functions consist of (a) evaluating and recommending to the Administrator for a monetary award, if any, any scientific or technical contribution which may have significant value in the conduct of aeronautical and space activities; and (b) to recommend to the Administrator action to be taken on proposals to waive title to inventions.

The following personnel of the NASA Headquarters have been appointed to serve as members of the Board: Robert E. Littell, Assistant to the Director of Aeronautics and Space Research, Chairman; Paul G. Dembling, Assistant General Counsel; Allen Crocker, Chief, Guidance and Control Programs; Elliott Mitchell, Chief, Rocket Booster Development Programs; and Guy C. Ferguson, Office of Director of Personnel.

Dr. James A. Hootman has been assigned to serve as full-time Secretary to the Board.

Regulations and operating procedures of the Board will be issued at a later date.

Communications should be addressed to NASA Inventions and Contributions Board, National Aeronautics and Space Administration, 1520 H Street NW., Washington 25, D. C.

Signed this 4th day of December 1958 at Washington, D. C.

T. KEITH GLENNAN,
Administrator.

[F. R. Doc. 58-10286; Filed, Dec. 11, 1958; 8:50 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[24A-1172]

SOUTHCOAST, INC.

ORDER TEMPORARILY SUSPENDING EXEMPTION, STATEMENT OF REASONS THEREFOR, AND NOTICE OF OPPORTUNITY FOR HEARING

DECEMBER 8, 1958.

I. Southcoast, Incorporated, a South Carolina corporation with its principal business address at 148 East Bay Street, Charleston, South Carolina, filed with the Commission on January 15, 1958, a notification on Form 1-A and an offering circular, and subsequently filed amendments thereto relating to an offering of 100 shares of 7 percent cumulative, convertible preferred stock at $100 per share, aggregating $10,000, for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3 (b) thereof and Regulation A promulgated thereunder.

II. The Commission has reasonable cause to believe that the terms and conditions of Regulation A have not been complied with in that the issuer has failed to file reports on Form 2-A as required by Rule 260 and has failed to file a revised offering circular as required by Rule 256 (e) of Regulation A despite requests of the Commission's staff for such filings.

It is ordered, Pursuant to Rule 261 (a) of the general rules and regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is, temporarily suspended.

Notice is hereby given, that any person having any interest in the matter may file with the Secretary of the Commission a written request for a hearing within thirty days herefrom; that, within twenty days after receipt of such request, the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; and that notice of the time and place of said hearing will be promptly given by the Commission. If no hearing is requested and none is ordered by the Commission, the order shall become permanent on the thirtieth day after its entry and shall remain in effect unless or until it is modified or vacated by the Commission.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 58-10275; Filed, Dec. 11, 1958; 8:47 a. m.]

[File No. 24 D-1934]

STILLMAN URANIUM, INC.

ORDER TEMPORARILY SUSPENDING EXEMPTION, STATEMENT OF REASONS THEREFOR, AND NOTICE OF OPPORTUNITY FOR HEARING

DECEMBER 8, 1958.

I. Stillman Uranium, Inc. (Stillman), a California corporation, 1011 McKeever Court, Hayward, California, filed with the Commission on September 16, 1955, a notification on Form 1-A and offering circular, relating to an offering of 600,000 shares of its 25 cents par value common stock at 25 cents per share for an aggregate of $150,000, for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3 (b) thereof and Regulation A promulgated thereunder; and

II. The Commission has reasonable cause to believe that certain officers and directors of Stillman were convicted of crimes or offenses involving the purchase and sale of securities within the meaning of Rule 223 (a) (6) of Regulation A.

III. *It is ordered*, Pursuant to Rule 223 (a) of the general rules and regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is, temporarily suspended.

Notice is hereby given, that any person having any interest in the matter may file with the Secretary of the Commission a written request for hearing; that within 20 days after receipt of such request, the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; and that notice of the time and place for said hearing will be promptly given by the Commission.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 58-10276; Filed, Dec. 11, 1958; 8:47 a. m.]

[File No. 24D-2060]

RUSSELL GULCH URANIUM CO., INC.

ORDER TEMPORARILY SUSPENDING EXEMPTION, STATEMENT OF REASONS THEREFOR, AND NOTICE OF OPPORTUNITY FOR HEARING

DECEMBER 8, 1958.

I. Russell Gulch Uranium Co., Inc. (Russell Gulch), a Colorado corporation, 2040 South Federal Boulevard, Denver, Colorado, filed with the Commission on March 22, 1956 a notification on Form 1-A and offering circular, and filed various amendments thereto, relating to an offering of 150,000 shares of its $1.00 par value common stock at $1.00 per share, for an aggregate of $150,000, for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of section 3 (b) thereof and Regulation A promulgated thereunder; and

II. The Commission has reasonable cause to believe that:

A. The terms and conditions of Regulation A have not been complied with in that Russell Gulch has failed to file reports of sales on Form 2-A as required by Rule 224; and

B. The offering circular contains untrue statements of material facts and omits to state material facts necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, with respect to (a) the recent financial status of the company and (b) the status of its mining leases; and

C. The use of such offering circular would operate as a fraud and deceit upon purchasers.

III. *It is ordered*, Pursuant to Rule 223 (a) of the general rules and regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is, temporarily suspended.

Notice is hereby given, that any person having any interest in the matter may file with the Secretary of the Commission a written request for hearing; that within 20 days after receipt of such request, the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; and that notice of the time and place for said

hearing will be promptly given by the Commission.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 58-10277; Filed, Dec. 11, 1958; 8:47 a. m.]

[File No. 22-2474]

DEUTSCHER SPARKASSEN-UND GIROVERBAND

NOTICE OF APPLICATION FOR EXEMPTION

DECEMBER 8, 1958.

In the matter of Deutscher Sparkassen-Und Giroverband (German Savings Banks and Clearing Association); File No. 22-2474.

Notice is hereby given that Deutscher Sparkassen-Und Giroverband ("Company"), a corporation organized and existing under the laws of Germany, has filed an application pursuant to section 304 (d) of the Trust Indenture Act of 1939 for an order exempting from the provisions of sections 310 (a) (3), 314 (b) (1) and 314 (d) of the Act, the debt adjustment debentures, due January 1, 1967, to be issued by it under an Indenture to be dated as of January 1, 1953, between the Company and The First National City Bank of New York, as Trustee and Kreditanstalt fur Wiederaufbau, as co-trustee, in connection with the Company's offer of settlement to be made pursuant to Annex II of the London Agreement on German External Debts of February 27, 1953, between the Government of the Federal Republic of Germany, the United States of America and other countries. The Company has also filed an application pursuant to section 310 (b) (1) (ii) of the Act for an order declaring that co-trusteeship under an indenture to be dated as of January 1, 1953, between the Company and The First National City Bank of New York, as trustee and Kreditanstalt fur Wiederaufbau as co-trustee to be qualified under the Act and trusteeship of Kreditanstalt fur Wiederaufbau under the indenture under which the old dollar bonds were issued by the Company is not so likely to involve a material conflict of interest as to make it necessary in the public interest and for the protection of investors to disqualify Kreditanstalt fur Wiederaufbau from acting as co-trustee under the indenture to be qualified under the act.

Section 304 (d) of the act permits the Commission, on application by the issuer and after opportunity for hearing thereon, to exempt by order from any one or more provisions of the Act, any security proposed to be issued by a person organized and existing under the laws of a foreign government if and to the extent that the Commission finds that compliance with such provision or provisions is not necessary in the public interest and for the protection of investors.

The application states, with respect to the request for exemption from section 310 (a) (3) of the act to permit certain acts to be performed by the co-trustee, as follows:

(1) The company has outstanding bonds which have been in default for many years. The London Agreement provides, among other things, for the consensual settlement of foreign currency obligations of German corporate debtors by the refunding and extension of such obligations.

(2) The company is liable only for the repayment of bonds which may be validated pursuant to the validation law for German Foreign Currency Bonds of August 25, 1952.

(3) The terms of the offer negotiated by the company for its outstanding obligations provide for the issuance by the company of its debt adjustment debentures, due January 1, 1967, in exchange for its outstanding validated bonds.

(4) Under the provisions of section 75 of the Law of the Federal Republic of Germany of August 24, 1953, implementing the London Agreement, the collateral municipal bonds pledged with the German trustee under the old indenture will constitute also security for the debt adjustment debentures issued under the new indenture. However, these collateral municipal bonds do not now constitute adequate security for the old bonds or the debt adjustment debentures. The company will furnish new security consisting of instruments of obligation executed by Deutsche Givozentrak-Deutsche Kommunalbank ("Bank") which will contain a covenant of the Bank in event of default by the company in the payment of the principal of or interest on the debt adjustment debentures to pay to the company, or its assigns all amounts then payable by the company. Similar instruments will be executed by the Bank with respect to the old bonds. The instruments of obligation will be assigned to the co-trustee. Certain acts with respect to the release of the old security consisting of the collateral municipal bonds are performed only by the co-trustee subject, however, to ultimate control by the American institutional trustee.

(5) Section 310 (a) (3) of the Trust Indenture Act of 1939 requires that the rights, powers, duties and obligations be conferred upon the American institutional trustee alone or jointly with the co-trustee unless under the laws of any jurisdiction, in which acts are to be performed, the institutional trustee is incompetent or unqualified to act.

(6) Since the new security is an obligation of the German institution, governed by German law and enforceable in all likelihood only in Germany, it is in the interest of the holders of the debt adjustment debentures that such new security should be held and enforced by a German institution which is familiar with German legal practices and is in a position to institute proceedings for the enforcement of the new security more quickly and more efficiently than the American trustee.

(7) While the procedure proposed necessarily results in certain acts being performable by the co-trustee, the protection intended to be accorded to the security holders by the Trust Indenture Act of 1939 is in no way impaired. All of the acts, which may be performed only by the co-trustee, relate to the release of the old security and the holding and enforcement of the new security. Any action with respect to a release of the old security is subject to ultimate control by the American institutional trustee if such control is exercised within 45 days after notice is received of the proposed action.

The application states, with respect to the request for exemption from section 310 (b) (1) (ii), to permit the same organization to act as trustee under the old and as co-trustee under the new indenture as follows:

(1) The provisions of the German implementation law, which was adopted in order to allow an orderly and non-discriminatory settlement of debts under the London Agreement, prohibit the German debtor from making payments or any other performance with respect to any old obligations until all refunding obligations issued by all German debtors have been paid in full.

(2) By virtue of the provisions of the Implementation Law, the trustee under the old indenture is without the power or incentive to seek payment of the old bonds in preference to payment on the new debentures or to prevent orderly payment in full of the new debentures in accordance with their terms.

The application states, with respect to the request for exemption from sections 313 (b) (1) and 314 (d), to omit from the indenture provisions for any valuation of security to be released from the lien of the indenture, as follows:

(1) Although the indenture contains no provisions for the release of the new security, the old security may be property pledged with the trustee under the indenture even though such property interest has been vested in such trustee by operation of German law rather than by an affirmative act. However, the impediments to any realization by the trustee upon the old security are such as to make any valuation of the old security unfeasible. The payment with respect to the indebtedness of the municipal obligors is obtainable only if the collateral municipal bonds have been released from the lien of both the old indenture and the new indenture so that prior to such release the trustee under the indenture has no way of realizing upon the old security. Furthermore, since both the trustee under the old indenture and the trustees under the new indenture participate in the old security, the value of the rights of the trustee under the new indenture will fluctuate at any one time in accordance with the ratio of old bonds to debt adjustment debentures then outstanding. Accordingly any valuation of security as provided by sections 313 (b) (1) and 314 (d) of the act, would be meaningless.

For a more detailed statement of the matters of fact and law asserted, all persons are referred to such application which is now on file in the offices of the Commission in Washington, D. C.

Notice is further given that an order granting the applications, in whole or in part and upon such conditions as the

Commission may deem necessary or appropriate, may be issued by the Commission at any time after December 17, 1958, unless prior thereto a hearing is ordered by the Commission. Any interested person may, not later than December 16, 1958, at 5:30 p. m., e. s. t., submit to the Commission in writing his views or any additional facts bearing upon this application on the desirability of a hearing thereon, or request the Commission in writing that a hearing be held thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C., and should state briefly the nature of the interest of the person submitting such information or requesting a hearing, the reasons for such request, and the issues of fact or law raised by the application which he desires to controvert.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 58-10278; Filed, Dec. 11, 1958; 8:48 a. m.]

INTERSTATE COMMERCE COMMISSION

[Notice 60]

MOTOR CARRIER TRANSFER PROCEEDINGS

DECEMBER 9, 1958.

Synopses of orders entered pursuant to section 212 (b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17 (8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 61477. By order of December 3, 1958, the Transfer Board approved the transfer to Michael Sadowski, doing business as Michael Sadowski Trucking, 141 Oakland St., Trenton, New Jersey, of certificate No. MC 109973, issued November 15, 1949, to Joseph C. Sikos and Michael Sadowski, doing business as Sikow and Sadowski, 141 Oakland St., Trenton, New Jersey, authorizing the transportation of: Fresh vegetables from points in Bucks County, Pa., to Camden, N. J., and building and road construction materials, between points in Bucks County, Pa., on the one hand, and, on the other, points in New Jersey within 35 miles of Bristol, Pa.

No. MC-FC 616111 By order of December 3, 1958 the Transfer Board approved the transfer to Abner H. Shughart and W. Robert Shughart, doing business as A. H. Shughart and Son, Mt. Holly Springs, Pa., of certificates in Nos. MC 93263 and MC 93262 Sub 1, issued January 12, 1950 and February 3, 1950, respectively, to Edna I. Yeingst, doing business as Yeingst Trucking Company, Mt. Holly Springs, Pa., authorizing the transportation of: Finished paper, from Mount Holly Springs, Pa., to Baltimore, Md., Greenwood, New Castle, Newark, and Wilmington, Del., Edgewater, Harrison, Bayonne, Newark, and Trenton, N. J., and points in New York within a designated territory; scrap paper, rags, and wood-pulp, from Baltimore, Md., Greenwood, New Castle, Newark, and Wilmington, Del., Edgewater, Harrison, Bayonne, Newark, and Trenton, N. J., and points in the designated New York to Mount Holly Springs, Pa.; rags, from Harrisburg, Pa., to Baltimore, Md.; iron castings, from Carlisle, Pa., to New York, N. Y., and Baltimore, Md.; paper from Mt. Holly Springs, Pa., to Ashtabula, Ohio; scrap or damaged paper, from Ashtabula to Mt. Holly Springs, Pa.; and chemicals used in the manufacture of paper, from Plainsville, Ohio, to Mt. Holly Springs, Pa. Kenneth W. Hess, 18 North Court House Avenue, Carlisle, Pa., for applicants.

No. MC-FC 61627. By order of December 3, 1958, the Transfer Board approved the transfer to Sidney Gilbert and Charles Pellicane, a partnership, doing business as Inter-Metro Trucking Co., Jersey City, New Jersey, of a certificate in No. MC 41182, issued November 4, 1954, to Fred J. Dittrich, doing business as Lindenhurst, New York, authorizing the transportation of general commodities, excluding household goods, as defined by the Commission, and other specified commodities, between points within the New York, N. Y., Commercial Zone, as defined by the Commission. Martin Werner, 295 Madison Avenue, New York 17, N. Y.

No. MC-FC 61630. By order of December 2, 1958, the Transfer Board approved the transfer to Leon D. Rowley, doing business as Ely Milford Mail Route, Garrison, Utah, of Certificate No. MC 33242, issued March 31, 1937, to Leo D. Rowley and Daisy Rowley, Garrison, Utah, authorizing the transportation of passengers and baggage of passengers, and of express, mail, and newspapers, in the same vehicle with passengers, over regular routes, between Milford, Utah and Ely, Nevada.

No. MC-FC 61642. By order of December 3, 1958, the Transfer Board approved the transfer to Frank P. Manner, doing business as Manner Trucking Service, Orland, California, of Certificate No. MC 72545, issued August 23, 1956, to Lewis V. Turner, doing business as Turner Truck Transportation, Corning, California, authorizing the transportation of processed olives, in cans and barrels, over regular routes, from Corning, Calif., to San Francisco, California, and olives, in glass containers, and olive oil, in glass containers, cans, and in bulk in barrels, from Corning, Calif., to San Francisco, Calif., and over irregular routes, livestock, wool, and prunes, between points within 25 miles of Corning, Calif., including Corning. Pete H. Dawson, 1261 Drake Avenue, Burlingame, Calif., for applicants.

No. MC-FC 61660. By order of December 2, 1958, the Transfer Board approved the transfer to James A. Barnhart, Inc., Delhi, N. Y., of Certificate No. MC 101192 Sub 5, issued February 9, 1948, to James A. Barnhart, Bovina Center, N. Y., authorizing the transportation, over irregular routes, of raw milk, in bulk, in tank vehicles, from Bovina Center, Fraser, and Walton, N. Y., to New York, N. Y., and points in Nassau, Suffolk and Westchester Counties, N. Y.; manufactured dairy products, from Fraser, N. Y., to New York, N. Y., points in Nassau, Suffolk and Westchester Counties, N. Y., and points in Bergen, Essex, Hudson, Middlesex, Passaic, Sussex, and Union Counties, N. J.; empty containers for the above specified commodities, from New York, N. Y., points in Nassau, Suffolk, and Westchester Counties, N. Y., and points in Bergen, Essex, Hudson, Middlesex, Passaic, Sussex, and Union Counties, N. J., to Bovina Center, Fraser, and Walton, N. Y. Richard H. Farley, 103 Main Street, Delhi, N. Y., for applicants.

No. MC-FC 61684. By order of December 3, 1958, the Transfer Board approved transfer to Walter D. Murray doing business as Downs Bros., Philadelphia, Pa., of a portion of the operating authority in Certificate No. MC 41658, issued November 27, 1957 to Delaware Valley Express, Inc., Philadelphia, Pa., authorizing the transportation of baggage and express, over irregular routes, between Philadelphia, Pa., and points in that part of New Jersey south of a line beginning at Trenton, N. J., and extending along Mercer County Highway 535 through Edinburg, N. J., to Locust Corner, N. J., thence along Mercer County Highway 539 to junction New Jersey Highway 33, thence along New Jersey Highway 33 to junction Monmouth County Highway 537 near Freehold, N. J., and thence along Monmouth County Highway 537 through Freehold, Colts Neck, Eatontown, and Long Branch, N. J., to the Atlantic Ocean, including points on the indicated portions of the highways specified. Winokur & Kahn, 512 Market Street, National Bank Building, Philadelphia, 7, Pa., for applicants.

No. MC-FC 61705. By order of December 2, 1958, the Transfer Board approved the transfer to Shearer & Son, Inc., Canton, Ohio, of Certificate No. MC 65753 issued October 1, 1958, to Forest C. Shearer doing business as Shearer and Son, Canton, Ohio, authorizing the transportation of household goods as defined by the Commission, between Canton, Ohio, on the one hand, and, on the other, points in Pennsylvania. Harold E. Wynn, 804 Peoples Bank Building, Canton 2, Ohio.

No. MC-FC 61742. By order of December 4, 1958, the Transfer Board approved the transfer to David O. Garrison, doing business as Garrison Truck Line, Wellington, Mo., of Certificate No. MC 59446, issued August 16, 1950, to John H. Hilker, Wellington, Missouri, authorizing the transportation, over regular routes, between Napoleon, Mo., and Kansas City, Kans., of live stock, hay, and straw, and of general commodities, excluding household goods and other specified commodities, and between Napoleon, Mo., and Lawrence, Kans., of live-

stock, hay, straw, and grain, and from Kansas City, Kans., to Wellington, Mo., of petroleum products, in pails, drums, and barrels, and from Leavenworth, Kans., to Napoleon, Mo., of seeds and grain.

[SEAL] HAROLD D. McCOY,
Secretary.

[F. R. Doc. 58-10271; Filed, Dec. 11, 1958; 8:46 a. m.]

DEPARTMENT OF LABOR

Wage and Hour Division

LEARNER EMPLOYMENT CERTIFICATES

ISSUANCE TO VARIOUS INDUSTRIES

Notice is hereby given that pursuant to section 14 of the Fair Labor Standards Act of 1938 (52 Stat. 1060, as amended; 29 U. S. C. 201 et seq.), the regulations on employment of learners (29 CFR Part 522), and Administrative Order No. 485 (23 F. R. 200), the firms listed in this notice have been issued special certificates authorizing the employment of learners at hourly wage rates lower than the minimum wage rates otherwise applicable under section 6 of the Act. The effective and expiration dates, occupations, wage rates, number or proportion of learners, learning periods, and the principal product manufactured by the employer for certificates issued under general learner regulations (§§ 522.1 to 522.11) are as indicated below. Conditions provided in certificates issued under special industry regulations are as established in these regulations.

Apparel Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.20 to 522.24, as amended).

The following learner certificates were issued authorizing the employment of 10 percent of the total number of factory production workers for normal labor turnover purposes. The effective and expiration dates are indicated.

Alabama Textile Products Corp., Troy, Ala.; effective 12-1-58 to 11-30-59 (men's dress shirts).

Blue Bell, Inc., Warsaw, Ind.; effective 12-9-58 to 12-8-59 (men's and boys' dungarees).

Byrds Manufacturing Corp., Byrdstown, Tenn.; effective 11-29-58 to 11-28-59 (ladies' dress shirts).

Cluett, Peabody & Co., Inc., Gilbert, Minn.; effective 12-17-58 to 12-16-59 (collars for first quality dress shirts).

Florence Manufacturing Co., Inc., Chase Avenue and Darlington Highway, Florence, S. C.; effective 11-29-58 to 11-28-59 (ladies' dresses).

Glen of Michigan, Div., Rhea Manufacturing Co., 77 Hancock Street, Manistee, Mich.; effective 12-6-58 to 12-5-59; learners may not be engaged at special minimum wage rates in the production of separate skirts (women's apparel, misses' dresses, blouses, sportswear, and other odd outerwear children's and juniors').

Hercules Trouser Co., Hillsboro, Ohio.; effective 12-1-58 to 11-30-59 (men's and boys' single pants).

Hercules Trouser Co., Manchester, Ohio; effective 12-1-58 to 11-30-59 (men's and boys' single pants).

Iva Manufacturing Co., Inc., Iva, S. C.; effective 12-4-58 to 12-3-59; learners may not be engaged at special minimum wage rates in the production of separate skirts (ladies' blouses).

The Jay Garment Co., Portland, Ind.; effective 12-1-58 to 11-30-59 (men's cotton work clothing, boys' cotton and/or rayon pants).

Mary Kirk, Inc., Eagle Bldg., Shamokin, Pa.; effective 11-25-58 to 11-24-59 (cotton wash dresses).

Lady Ester Lingerie Corp., 10th and Walnut Streets, Berwick, Pa.; effective 12-1-58 to 11-30-59 (ladies' and children's slips).

Lorch Manufacturing Co., West, Tex.; effective 12-1-58 to 11-30-59; learners may not be employed at special minimum wage rates in the production of separate skirts (ladies' and misses' dresses and sportswear).

Samsons Manufacturing Corp., 525 East Fifth Street, Washington, N. C.; effective 12-10-58 to 12-9-59 (men's sport shirts).

Savada Brothers, Inc., 115-121 Mulberry Street, Millville, N. J.; effective 11-28-58 to 11-27-59 (boys' sport shirts).

Wargosa Manufacturing Co., Inc., Depot Street, Columbia, Tenn.; effective 12-1-58 to 11-30-59 (men's sport shirts).

Wyoming Valley Garment Co., 237 Old River Road, Wilkes-Barre, Pa.; effective 12-5-58 to 12-4-59 (men's and boys' trousers).

The following learner certificates were issued for normal labor turnover purposes. The effective and expiration dates and the number of learners authorized are indicated.

B & B Manufacturing Co., Inc., 26 Canfield Street, Orange, N. J.; effective 11-26-58 to 11-25-59; six learners (ladies' cotton house dresses, quilted dusters, beach robes and blouses).

Blue Bell, Inc., Mt. Jackson, Va.; effective 12-1-58 to 11-30-59; 10 learners (dungarees).

Frances Gee Garment Co., Inc., Higginsville, Mo.; effective 12-1-58 to 11-30-59; 10 learners (women's cotton and nylon uniforms).

Irene Garment Co., Green and Wyoming Streets, Hazleton, Pa.; effective 11-28-58 to 11-27-59; 10 learners (women's dresses).

The Jay Garment Co., Brookville, Ind.; effective 12-1-58 to 11-30-59; 10 learners (children's cotton overalls; boys' pants).

Mammoth Cave Garment Co., Cave City, Ky.; effective 12-11-58 to 12-10-59; 10 learners (men's and boys' dungarees).

Savada Brothers, Inc., North East Boulevard, Landisville, N. J.; effective 11-28-58 to 11-27-59; 10 learners (boys' sport shirts).

Sorbeau Juvenile Manufacturing Co., 821 Central Avenue, Dubuque, Iowa; effective 12-1-58 to 11-30-59; 10 learners (replacement certificate) (infants' layette garments, infants' and children's pajamas).

Stitchcraft, Inc., 393 Oconee Street, Athens, Ga.; effective 12-4-58 to 12-3-59; 10 learners (replacement certificate) (ladies' dresses and robes; children's dresses and pajamas).

* * * * *

Pikeville Sportwear Co., Pikeville, Tenn.; effective 11-27-58 to 5-26-59; 10 learners for plant expansion purposes (men's and boys' cotton sport shirts).

Hosiery Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.40 to 522.43, as amended).

Franklin Hosiery Co., Franklin, N. C.; effective 11-25-58 to 5-24-59; 30 learners for plant expansion purposes (seamless).

Prim Hosiery Mill, Chester, Ill.; effective 12-1-58 to 5-31-59; 15 learners for plant expansion purposes (full-fashioned seamless).

Selma Hosiery Co., Dillon, S. C.; effective 12-2-58 to 6-1-59; 80 learners for plant expansion purposes (seamless).

Knitted Wear Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.30 to 522.35, as amended).

Cluett, Peabody & Co., Inc., Gilbert, Minn.; effective 12-17-58 to 12-16-59; five learners for normal labor turnover purposes (cut and sewn underwear).

Shoe Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.50 to 522.55, as amended).

Lazar of Santa Fe, 228 Don Gaspar, Santa Fe, N. Mex.; effective 12-1-58 to 11-30-59; 10 learners for normal labor turnover purposes (moccasins—hand-laced and beaded).

Regulations Applicable to the Employment of Learners (29 CFR 522.1 to 522.11, as amended).

Bear Brand Hosiery Co., Henderson, Ky.; effective 11-28-58 to 5-27-59; 25 high school students only for part time employment in the occupation of looping only for a learning period of 816 hours at the rates of 80 cents an hour for the first 432 hours of employment, and not less than 87½ cents an hour for the remaining 384 hours (seamless).

Sparta Pipes, Inc., Sparta, N. C.; effective 12-6-58 to 6-5-59; 10 percent of the total number of factory production workers for normal labor turnover purposes in the single occupation of basic hand and machine production operations, for a learning period of 240 hours, at the rate of 85 cents an hour. Total training time of an employee at special minimum rates is not to exceed 240 hours, with the number of hours of previous applicable experience in the above occupation within the previous 3 years in this industry deducted therefrom (briarwood smoking pipes, cigar, and cigarette holders).

Each learner certificate has been issued upon the representations of the employer which, among other things, were that employment of learners at subminimum rates is necessary in order to prevent curtailment of opportunities for employment, and that experienced workers for the learner occupations are not available. The certificates may be annulled or withdrawn, as indicated therein, in the manner provided in Part 528 of Title 29 of the Code of Federal Regulations. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER pursuant to the provisions of 29 CFR 522.9.

Signed at Washington, D. C., this 4th day of December 1958.

MILTON BROOKE,
Authorized Representative of the Administrator.

[F. R. Doc. 58-10287; Filed, Dec. 11, 1958; 8:50 a. m.]